

LAW OFFICES  
**ROSE, SUNDBSTROM & BENTLEY, LLP**  
 2548 BLAIRSTONE PINES DRIVE  
 TALLAHASSEE, FLORIDA 32301

ORIGINAL

FREDERICK L. ASCHAUER, JR.  
 CHRIS H. BENTLEY, P.A.  
 ROBERT C. BRANNAN  
 DAVID F. CHESTER  
 F. MARSHALL DEFERDING  
 JOHN R. JENKINS, P.A.  
 STEVEN T. MINDLIN, P.A.  
 CHASITY H. O'STEEN  
 DAREN L. SHIPPY  
 WILLIAM E. SUNDBSTROM, P.A.  
 DIANE D. TREMOR, P.A.  
 JOHN L. WHARTON  
 ROBERT M. C. ROSE, OF COUNSEL  
 WAYNE L. SCHEFFELBEIN, OF COUNSEL

(850) 877-6555  
 FAX (850) 656-4029  
 www.rsbatorneys.com

CENTRAL FLORIDA OFFICE  
 SANLANDO CENTER  
 2180 W. STATE ROAD 434, SUITE 2118  
 LONGWOOD, FLORIDA 32779  
 (407) 830-6331  
 FAX (407) 830-8522

REPLY TO CENTRAL FLORIDA OFFICE

MARTIN S. FRIEDMAN, P.A.  
 VALERIE L. LORD  
 BRIAN J. STREET

May 22, 2006

RECEIVED FPSC  
 MAY 24 AM 9:32  
 COMMISSION  
 CLERK

Mr. Richard Redemann  
 Division of Economic Regulation  
 Florida Public Service Commission  
 2540 Shumard Oak Boulevard  
 Tallahassee, FL 32399

RE: Docket No. 060165-WS; Plantation Bay Utility Co.'s Application for Amendment of  
 Certificates of Authorization (The Reserve; Dixie Commons)  
Our File No.: 36062.07

Dear Richard:

This letter is in response to your May 15, 2006 correspondence when you raised several questions regarding the special service availability agreements which serve as the basis for Plantation Bay Utility Company filing this application to amend its water and wastewater certificates.

- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPC \_\_\_\_\_
- RCA \_\_\_\_\_
- SCR \_\_\_\_\_
- SGA \_\_\_\_\_
- SEC
- OTH \_\_\_\_\_

1. The cost justification to support the service availability charge is contained in a report prepared by Quentin L. Hampton Associates, Inc. and I have enclosed the page from that report by which the aforementioned fee was recommended.
  
2. As you are aware, it is only under very rare circumstances that a utility can be forced to serve customers outside of its certificated territory. Frankly, Plantation Bay Utility Company was not willing to serve the new customers unless they paid their fair share of the burden which they will be placing on the water and wastewater facilities. There is no doubt but that Plantation Bay Utility Company must provide service within its certificated territory in accordance with its approved tariff, however, since these proposed developments are not within the certificated territory and Plantation Bay Utility Company has no obligation to extend to provide service to them they are not a "customer" until they are within the utility's service area. There can be no discrimination since the rights of persons within the utility's service area are clearly different from those outside of the service area. Please keep in

04509 MAY 24 2006  
 FPSC-COMMISSION CLERK

Mr. Richard Redemann  
Division of Economic Regulation  
Florida Public Service Commission  
May 22, 2006  
Page 2

---

mind that the new developers who entered into these Agreements are completely satisfied with the financial terms. It is obvious that it is more financially feasible to connect to the Plantation Bay Utility Company water and wastewater systems than to construct their own systems. Plantation Bay Utility Company calculated a fair and reasonable charge to these developers that was based on an engineering analysis, which was certainly not the highest amount which could have been extracted from these developers had Plantation Bay Utility Company determined to charge these developers based upon the value to the developer as opposed to the proportionate cost of the burden which they will place upon the water and wastewater systems of Plantation Bay Utility Company. Keep in mind that discrimination must occur within the same class of persons and there is no doubt but that persons within a utility service area are at a different class than those outside of a utility service area.

3. We do not believe that the pending rate case has any bearing on the rates and charges set forth in the special service availability Agreements and we suggest that the Commission go forward with this docket in order not to unduly delay these developments. That rate case has been protested and will go to formal hearing and likely not completed until late this year.

Should you have any additional questions, please do not hesitate to contact me.

Very truly yours,



MARTIN S. FRIEDMAN  
For the Firm

MSF/tlc  
Enclosure

cc: Ms. Blanca Bayo, PSC Clerk (w/enclosure)  
Mr. Douglas R. Ross (w/enclosures)

M:\1 ALTAMONTE\PLANTATION BAY\(.07) LIGHTHOUSE POINT DEVAG\Redemann, R 04.ltr.wpd

## **IMPACT FEES**

---

The individual components of the water and wastewater systems were reviewed. The capital cost per gallon of capacity for each component was established. A rate recommendation has been made for water and wastewater fees.

<b>WASTEWATER SYSTEM</b>	
Proposed Improvements	\$3,136,000
Shared Improvements (50%)	\$638,000
Costs for Expansion	\$2,498,000
Total Units to Be Served	4,000 – 5,400
Units Served by Expansion	2,000 – 2,700
Fee Recommended	\$1,249

<b>WATER SYSTEM</b>	
Proposed Improvements	\$3,965,000
Shared Improvements (50%)	
Wells	\$229,000
Other	\$83,000
Cost for Expansion	\$3,653,000
Total Units to be Served	4,000 – 5,400
Units Served by Expansion	2,000 – 2,700
Fee Recommended	\$1,826