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DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

ORIGINAL

August 3, 2006

Martin S. Friedman, Esquire
Rose, Sundstrom, and Bentley
2180 W. SR 434, Suite 2118
Longwood, FL 32779

Re: Docket No. 060166-WS; Application for amendment of Certificate Nos. 590-W and 508-S to extend water and wastewater service areas to include certain land in Polk County by Gold Coast Utility Corp.

Dear Mr. Friedman:

As we discussed on the phone this week, staff needs additional information concerning the application filed in this docket. Those concerns are addressed below.

You have provided a draft developer agreement that relates to the land area involved in this application. It is my understanding that the developer agreement is not yet signed by the developer. How will the lack of a signed agreement affect this amendment? Is all the land encompassed by this application part of the land owned by the developer? If not, please provide evidence of noticing other property owners in the land area involved in this application.

The draft developer agreement refers to the provision of reclaimed water service on page 1. How is the cost of this service to be paid for, including the upgrade to the wastewater plant to

CMP _____ provide the prescribed level of treatment for reuse, as well as the cost of the reclaimed water
COM _____ lines and pumps required to provide the service? What rate is the utility proposing to charge for
CTR _____ this service to the end users? The draft agreement also provides for the payment of \$12,500 to
the utility. Please provide an explanation of this cost.

ECR _____ The level of CIAC to plant is fairly high, and donated plant resulting from this
GCL _____ amendment will likely raise the level of CIAC above that percentage prescribed by rule. You
OPC _____ had mentioned that it was your understanding that the utility would be making some
RCA _____ improvements that would enlarge the plant capacity. Please provide an explanation of what
SCR _____ improvements are anticipated, the approximate dollar cost of those improvements, and how that
cost will be funded.

SGA _____

SEC 1

OTH _____

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06982 AUG-4 2006

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Martin S. Friedman
Page 2
August 3, 2006

Proposed Original Sheet No. 25 that has been filed for inclusion in the utility's tariff adequately addresses the issue of donated lines being accepted by the utility.

We are looking to file a recommendation in this docket on August 17th for the August 29th agenda, so the time frame for completing review is short. If you have any questions, please call me at 850-413-6950.

Sincerely yours,

A handwritten signature in cursive script that reads "Thomas Walden".

Thomas Walden,
Engineer Specialist

TW

cc: Katherine Fleming, Staff Counsel
Division of Records and Reporting