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REPLY TO CENTRAL FLORIDA OFFICE

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

October 24, 2006

HAND DELIVERY

RECEIVED-FPSC
OCT 24 AM 10:21
COMMISSION
CLERK

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 060261-WS; Utilities, Inc. of Pennbrooke's Application for Rate Increase
in Lake County, Florida
Our File No.: 30057.121

AP _____
M _____
R _____
R _____
L _____
C _____
A _____
R _____
A _____
C _____
H _____

Dear Ms. Bayo:

The following are the Utility's supplemental response to Staff's First Data Request dated September 20, 2006:

20. Provide the utility's current and most recently expired Consumptive Use Permit from the water management district. Each permit should include all attachments, exhibits, and conservation plans referenced in the permits.

RESPONSE: Please refer to the supplement to Exhibit 20 attached hereto.

DOCUMENT NUMBER-DATE

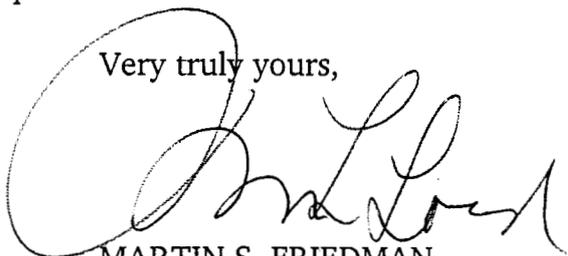
09744 OCT 24 06

FPSC-COMMISSION CLERK

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
October 24, 2006
Page 2

Please contact me if you have any questions.

Very truly yours,



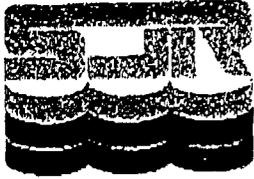
MARTIN S. FRIEDMAN
VALERIE L. LORD
For the Firm

VLL/tlc
Enclosures

cc: Jennifer Brubaker, Esquire, Office of General Counsel (w/o enc. - by hand delivery)
Mr. Troy Rendell, Division of Economic Regulation (w/enc. - by hand delivery)
Ms. Cheryl Bulecza-Banks, Div. of Economic Regulation (w/o enc. - by hand delivery)
Ms. Nina Merta, Division of Economic Regulation (w/o enc. - by hand delivery)
Ms. Patti Daniel, Division of Economic Regulation (w/o enc. - by hand delivery)
Ms. Sonica Bruce, Division of Economic Regulation (w/o enc. - by hand delivery)
Mr. Stanley Rieger, Division of Economic Regulation (w/o enc. - by hand delivery)
Steven M. Lubertozzi, Chief Regulatory Officer (w/enclosures - by U.S. Mail)
Kirsten Weeks, CPA (w/o enclosures - by U.S. Mail)
John Hoy, Regional Vice President for Operations (w/o enclosures - by U.S. Mail)
Patrick C. Flynn, Regional Director (w/enclosures - by U.S. Mail)
Mr. Frank Seidman (w/o enclosures - by U.S. Mail)
Scott D. Fogelsanger, Vice President (w/o enclosures - by U.S. Mail)
Stephen Reilly, Esquire, Office of Public Counsel (w/enclosures - by hand delivery)

M:\1 ALTAMONTE\UTILITIES INC\PENNBROOKE\(.121) 2005 RATE CASE\PSC Clerk 12 (Data Request 1 - supp).ltr.wpd

Henry Dean, Executive Director
John R. Wehle, Assistant Executive Director



**WATER
MANAGEMENT
DISTRICT**

POST OFFICE BOX 1429

PALATKA, FLORIDA 32178-1429

TELEPHONE 904-329-4500
TDD 904-329-4450

SUNCOM 904-960-4500

TDD SUNCOM 880-4450

FAX (Executive) 329-4125

(Legal) 329-4485

(Permitting) 329-4215

(Administration/Finance) 329-4508

SERVICE CENTERS

818 E. South Street
Orlando, Florida 32801
407-887-4300
TDD 407-887-6980

7776 Baymeadows Way
Suite 102
Jacksonville, Florida 32258
904-750-6270
TDD 904-448-7900

PERMITTING:
545 East Drive
Melbourne, Florida 32904
407-984-4940
TDD 407-722-6365

OPERATIONS:
2123 N. Wickham Road
Melbourne, Florida 32935-8100
407-762-3100
TDD 407-752-3102

October 18, 1999

PENNEBROOK UTILITIES INC
501 SR 44
Leesburg FL 34748

SUBJECT: Consumptive Use Permit # 2717

Enclosed is your permit and the forms necessary for submitting information to comply with conditions of the permit as authorized by the St. Johns River Water Management District on September 30, 1999.

Permit issuance does not relieve you from the responsibility of obtaining permits from any federal, state, and/or local agencies asserting concurrent jurisdiction over this work.

The enclosed permit is a legal document and should be kept with your other important records. Please read the permit and conditions carefully since the referenced conditions may require submittal of additional information. All information submitted as compliance with permit conditions must be submitted to the nearest District Service Center and should include the above referenced permit number.

Please be advised that the period of time within which a third party may request an administrative hearing on this permit may not have expired by the date of issuance. A potential petitioner has twenty-six (26) days from the date on which the actual notice is deposited in the mail, or twenty-one (21) days from publication of this notice when actual notice is not provided, within which to file a petition for an administrative hearing pursuant to Sections 120.569 and 120.57, Florida Statutes. Receipt of such a petition by the District may result in this permit becoming null and void.

Dan Roach, CHAIRMAN
FERNANDINA BEACH
Jeff K. Jennings
MAITLAND

Duane Offenstroger, TREASURER
SWITZERLAND
William M. Segal
MAITLAND

Otis Mason, SECRETARY
ST. AUGUSTINE
Ometrias D. Long
APOPKA

Clay Albright
EAST LAKE WEIR

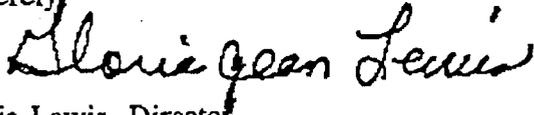
William Kerr
MELBOURNE BEACH

Field Hughes
DAYTONA BEACH

2717

If you have any questions concerning your permit compliance information, the attached forms, or well tags, contact James J Hollingshead (Hydrologist IV) at (407)897-4305.

Sincerely



Gloria Lewis, Director
Division of Permit Data Services

Enclosures:

- Permit
- Conditions for Issuance
- Compliance Forms
- Map
- Well Tags
- Notice of Rights

cc: District Permit File
WICKS CONSULTING SERVICES INC

107 W Main St
Tavares FL 32778

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT
PERMIT NUMBER: 2717 **DATE ISSUED : September 30, 1999**
PROJECT NAME: PENNEBROOK UTILITIES INC

AUTHORIZATION:

The District authorizes the use of 88.330 MGY for Household.

LOCATION:

SITE: PENNEBROOK UTILITIES INC
Lake County
Section 17, Township 19S, Range 24E and Section 18, Township 19S,
Range 24E and Section 19, Township 19S, Range 24E

ISSUED TO:

PENNEBROOK UTILITIES INC
501 SR 44
Leesburg FL 34748

Permittee agrees to hold and save the St. Johns River Water Management District and its successors harmless from any and all damages, claims, or liabilities which may arise from permit issuance. Said application, including all maps and specifications attached thereto, is by reference made a part hereof.

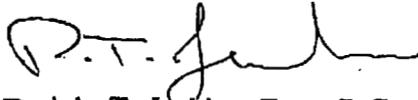
This permit does not convey to permittee any property rights nor any rights or privileges other than those specified herein, nor relieve the permittee from complying with any law, regulation or requirement affecting the rights of other bodies or agencies. All structures and works installed by permittee hereunder shall remain the property of the permittee.

This permit may be revoked, modified, or transferred at any time pursuant to the appropriate provisions of Chapter 373, Florida Statutes and 40C-1 Florida Administrative Code.

PERMIT IS CONDITIONED UPON:

See conditions on attached "Exhibit A", dated September 30, 1999

AUTHORIZED BY: St. Johns River Water Management District



Dwight T. Jenkins, Esq., P.G.
Director, Division of Water Use Regulation
Department of Resource Management

"Exhibit A"

CONDITIONS FOR ISSUANCE OF PERMIT # 2717

PENNEBROOK UTILITIES INC

September 30, 1999

1. District Authorized staff, upon proper identification, will have permission to enter, inspect and observe permitted and related facilities in order to determine compliance with the approved plans, specifications and conditions of this permit.
2. Nothing in this permit should be construed to limit the authority of the St. Johns River Water Management District to declare a water shortage and issue orders pursuant to Section 373.175, Florida Statutes, or to formulate a plan for implementation during periods of water shortage, pursuant to Section 373.246, Florida Statutes. In the event a water shortage, is declared by the District Governing Board, the permittee must adhere to the water shortage restriction as specified by the District, even though the specified water shortage restrictions may be inconsistent with the terms and conditions of this permit.
3. Prior to the construction, modification, or abandonment of a well, the permittee must obtain a Water Well Construction Permit from the St. Johns River Water Management District, or the appropriate local government pursuant to Chapter 40C-3, Florida Administrative Code. Construction, modification, or abandonment of a well will require modification of the consumptive use permit when such construction, modification or abandonment is other than that specified and described on the consumptive use permit application form.
4. Leaking or inoperative well casings, valves, or controls must be repaired or replaced as required to eliminate the leak or make the system fully operational.
5. Legal uses of water existing at the time of the permit application may not be interfered with by the consumptive use. If unanticipated interference occurs, the District may revoke the permit in whole or in part to curtail or abate the interference unless the permittee mitigates for the interference. In those cases where other permit holders are identified by the District as also contributing to the interference, the permittee may choose to mitigate in a cooperative effort with these other permittees. The permittee must submit a mitigation plan to the District for approval prior to implementing such mitigation.
6. Off-site land uses existing at the time of permit application may not be significantly adversely impacted as a result of the consumptive use. If unanticipated significant adverse impacts occur, the District shall revoke the permit in whole or in part to curtail or abate the adverse impacts, unless the

impacts can be mitigated by the permittee.

7.

The District must be notified, in writing, within 30 days of any sale, conveyance, or other transfer of a well or facility from which the permitted consumptive use is made or within 30 days of any transfer of ownership or control of the real property at which the permitted consumptive use is located. All transfers of ownership or transfers of permits are subject to the provisions of section 40C-1.612, Florida Administrative Code.

8.

A District-issued identification tag shall be prominently displayed at each withdrawal site by permanently affixing such tag to the pump, headgate, valve or other withdrawal facility as provided by Section 40C-2.401, Florida Administrative Code. Permittee shall notify the District in the event that a replacement tag is needed.

9.

If the permittee does not serve a new projected demand located within the service area upon which the annual allocation was calculated, the annual allocation will be subject to modification.

10.

The permittee must ensure that all service connections are metered.

11.

Landscape irrigation is prohibited between the hours of 10:00 a.m. and 4:00 p.m., except as follows:

(a) Irrigation using a micro-irrigation system is allowed anytime.

(b) The use of reclaimed water for irrigation is allowed anytime, provided appropriate signs are placed on the property to inform the general public and District enforcement personnel of such use. Such signs must be in accordance with local restrictions.

(c) Irrigation of, or in preparation for planting, new landscape is allowed any time of day for one 30 day period provided irrigation is limited to the amount necessary for plant establishment.

(d) Watering in of chemicals, including insecticides, pesticides, fertilizers, fungicides, and herbicides when required by law, the manufacturer, or best management practices is allowed anytime within 24 hours of application.

(e) Irrigation systems may be operated anytime for maintenance and repair purposes not to exceed ten minutes per hour per zone.

12.

All submittals made to demonstrate compliance with this permit must include the permit number 2717 plainly labeled.

(PENNEBROOK UTILITIES INC)

13.

This permit will expire on September 30, 2003.

(PENNEBROOK UTILITIES INC)

14 .

Maximum annual withdrawal from the Floridan Aquifer for household type uses must not exceed:

58.400 million gallons from September 30, 1999 to January 29, 2000 for 541.000 acres.

65.700 million gallons from January 30, 2000 to January 29, 2001 for 541.000 acres.

73.365 million gallons from January 30, 2001 to January 29, 2002 for 541.000 acres.

81.030 million gallons from January 30, 2002 to January 29, 2003 for 541.000 acres.

88.330 million gallons from January 30, 2003 to September 30, 2003 for 541.000 acres.

(PENNEBROOK UTILITIES INC)

15 .

Maximum annual withdrawal from the Floridan Aquifer for fire protection must not exceed:

1.440 million gallons from September 30, 1999 to September 30, 2003 for 541.000 acres.

(PENNEBROOK UTILITIES INC)

16 .

Maximum annual withdrawal from the Floridan Aquifer for golf course irrigation/chemigation must not exceed:

34.220 million gallons from September 30, 1999 to January 29, 2000 for 34.800 acres.

5.750 million gallons from January 30, 2000 to January 29, 2001 for 34.800 acres.

5.750 million gallons from January 30, 2001 to January 29, 2002 for 34.800 acres.

11.500 million gallons from January 30, 2002 to January 29, 2003 for 60.000 acres.

11.500 million gallons from January 30, 2003 to September 30, 2003 for 60.000 acres.

(PENNEBROOK UTILITIES INC)

17 .

Maximum annual withdrawals from Retention Ponds 16A and 28 for golfcourse irrigation/chemigation must not exceed:

2.850 million gallons in 1999;
34.20 million gallons in 2000;
34.20 million gallons in 2001,
67.90 million gallons in 2002, and
67.90 million gallons in 2003.

(PENNEBROOK UTILITIES INC)

18 .

The maximum annual withdrawals for golf course irrigation must not exceed:

34.2 million gallons in 1999;
34.2 million gallons in 2000;
34.2 million gallons in 2001,
67.9 million gallons in 2002, and
67.9 million gallons in 2003.

The total golf course allocation is a combination of surface water from Retention Ponds 16a and 28 with an emergency backup allocation from the Floridan

aquifer (well W3). The sources must be used as follows:

All available surface water from Retention Ponds 16a and 28 must be used prior to the use of a ground water source. Ground water from the Floridan aquifer

can be used when the above lower quality water sources are not available.
(PENNEBROOK UTILITIES INC)

19 .

Well W3 must be retrofitted and the discharge diverted from Pond 16a to the newly constructed irrigation holding pond. Augmentation of Pond 16a with ground water from the Floridan aquifer is prohibited.

(PENNEBROOK UTILITIES INC)

20 .

Maximum annual withdrawals from the Floridan Aquifer for irrigation/chemigation of common area urban landscape must not exceed:

- 5.840 million gallons in 1999;
- 6.570 million gallons in 2000;
- 7.300 million gallons in 2001,
- 8.030 million gallons in 2002, and
- 8.760 million gallons in 2003.

(PENNEBROOK UTILITIES INC)

21 .

Maximum annual withdrawal from Retention Pond 16A and Retention Pond 28 for irrigation/chemigation of common area urban landscape must not exceed 8.790 million gallons in 2002 and 2003.

(PENNEBROOK UTILITIES INC)

22 .

Maximum annual withdrawals from the Floridan Aquifer for utility use including unaccounted for water must not exceed:

- 8.030 million gallons in 1999;
- 8.395 million gallons in 2000;
- 9.490 million gallons in 2001,
- 10.58 million gallons in 2002, and
- 11.31 million gallons in 2003.

(PENNEBROOK UTILITIES INC)

23 .

Maximum annual water use for commercial/industrial use must not exceed the following:

- 3.65 million gallons in 1999;
- 4.01 million gallons in 2000;
- 4.38 million gallons in 2001,
- 4.74 million gallons in 2002, and
- 5.47 million gallons in 2003.

(PENNEBROOK UTILITIES INC)

24 .

Permittee must implement the Water Conservation Plan submitted to the District on July 31, 1997, in accordance with the schedule contained therein.

(PENNEBROOK UTILITIES INC)

25 .

The permittee must continue to meter withdrawals from wells W1, W2 and W3 as listed in the application. The permittee must continue to meter withdrawals from pumps 1 and 2. The totalizing flow meters must maintain 95% accuracy, be

verifiable and be installed according to manufacturer specifications.
(PENNEBROOK UTILITIES INC)

26.

Prior to the use of pump 3, an in-line totalizing flow meter must be installed. The totalizing flow meter must maintain 95% accuracy, be verifiable and be installed according to manufacturer specifications.
(PENNEBROOK UTILITIES INC)

27.

Total withdrawal from wells numbered W1, W2, and W3 and from pumps numbered 1, 2 and 3 must be recorded continuously, totaled monthly, and reported to the District during the months of March and September of each year from the initiation of the monitoring using Form No. EN-50.
(PENNEBROOK UTILITIES INC)

28.

The permittee must maintain all meters or other District approved flow measuring devices. In case of failure or breakdown of any meter or other device, the District must be notified in writing within 5 days of its discovery. A defective meter or other device must be repaired or replaced within 30 days of its discovery.

(PENNEBROOK UTILITIES INC)

29.

The permittee must have all flow meters checked for accuracy at least once every 3 years within 30 days of the anniversary date of permit issuance, and recalibrated if the difference between the actual flow and the meter reading is greater than 5%. District Form No. EN-51 must be submitted to the District within 10 days of the inspection/calibration.
(PENNEBROOK UTILITIES INC)

30.

The permittee must install and maintain a staff gauge in Retention Pond 16A. The permittee must record the elevation of Retention Pond 16A, at a minimum of once per week. The weekly staff gauge readings must be submitted to the District with the EN-50 forms for surface water pumps 1 and 2. The permittee must cease to pump water out of Retention Pond 16A any time the water elevation falls below 73.0 feet NGVD.
(PENNEBROOK UTILITIES INC)

31.

The permittee must install and maintain a staff gauge in Retention Pond 28. The permittee must record the elevation of Retention Pond 28, at a minimum of once per week. The weekly staff gauge readings must be submitted to the District with the EN-50 forms for surface water pump 3. The permittee must cease to pump water out of Retention Pond 28 any time the water elevation falls below 70.0 feet NGVD.
(PENNEBROOK UTILITIES INC)

32.

The permittee must develop, and obtain District approval of, a proposed water conserving rate structure within two years of permit issuance. The evaluation must include a demographic study of the service area and graphically illustrate the percentage of users per each increasing 1,000 gallon unit.
(PENNEBROOK UTILITIES INC)

NOTICE OF RIGHTS

2717

1.

A person whose substantial interests are or may be determined has the right to request an administrative hearing by filing a written petition with the St. Johns River Water Management District (District), or may choose to pursue mediation as an alternative remedy under Section 120.569 and 120.573, Florida Statutes, before the deadline for filing a petition. Choosing mediation will not adversely affect the right to a hearing if mediation does not result in a settlement. The procedures for pursuing mediation are set forth in Section 120.569 and 120.573, Florida Statutes, and rules 28-106.111 and 28-106.401-.405, Florida Administrative Code. Pursuant to District Chapter 28-106 and Rule 40C-1.1007, Florida Administrative Code, the petition must be filed at the office of the District Clerk at District Headquarters, P.O. Box 1429, Palatka, Florida 32178-1429 (4049 Reid St., Palatka, FL 32177) within within (26) days of the District depositing notice of District decision in the mail (for those persons to whom the District mails actual notice) or within twenty-one (21) days of newspaper publication of the notice of District decision (for those persons to whom the District does not mail actual notice). A petition must comply with Chapter 28-106, Florida Administrative Code.

2.

If the Governing Board takes action which substantially differs from the notice of District decision to grant or deny the permit application, a person whose substantial interests are or may be determined has the right to request an administrative hearing or may choose to pursue mediation as an alternative remedy as described above. Pursuant to District Rule 40C-1.1007, Florida Administrative Code, the petition must be filed at the office of the District Clerk at the address described above within twenty-six days of the District depositing notice of final District decision in the mail (for those persons to whom the District mails actual notice) or within twenty-one (21) days of newspaper publication of the notice of its final agency action (for those persons to whom the District does not mail actual notice). Such a petition must comply with Rule Chapter 28-106, Florida Administrative Code.

3.

A substantially interested person has the right to a formal administrative hearing pursuant to Sections 120.569 and 120.57(1), Florida Statutes, where there is a dispute between the District and the party regarding an issue of material fact. A petition for formal hearing must comply with the requirements set forth in Rule 28-106.201, Florida Administrative Code.

4.

A substantially interested person has the right to an informal hearing pursuant to Sections 120.569 and 120.57(2), Florida Statutes, where no material facts are in dispute. A petition for an informal hearing must comply with the requirements set forth in Rule 28-106.301.111, Florida Administrative Code.

5.

A petition for an administrative hearing is deemed filed upon delivery of the petition to the District Clerk at the District headquarters in Palatka, Florida.

6.

Failure to file a petition for an administrative hearing, within the requisite time frame shall constitute a waiver of the right to an administrative hearing. (Section

28-106.111, Florida Administrative Code)

7.

The right to an administrative hearing and the relevant procedures to be followed are governed by Chapter 120, Florida Statutes, and Chapter 28-106, Florida Administrative Code, and Section 40C-1.1007 Florida Administrative Code.

8.

An applicant with a legal or equitable interest in real property who believes that a District permitting action is unreasonable or will unfairly burden the use of his property, has the right to, within 30 days of receipt of notice of the District's written decision regarding a permit application, apply for a special master proceeding under Section 70.51, Florida Statutes, by filing a written request for relief at the office of the District Clerk located at District headquarters, P.O. Box 1429, Palatka, Florida 32178-1429(4049 Reid St., Palatka, FL 32177). A request for relief must contain the information listed in Subsection 70.51(6), Florida Statutes.

9.

A timely filed request for relief under Section 70.51, Florida Statutes, tolls the time to request an administrative hearing under paragraph no. 1 or 2 above. (Paragraph 70.51(10)(b), Florida Statutes) However, the filing of a request for an administrative hearing under paragraph no. 1 or 2 above waives the right to a special master proceeding. (Subsection 70.51(10)(b), Florida Statutes)

10.

Failure to file a request for relief within the requisite time frame shall constitute a waiver of the right to a special master proceeding. (Subsection 70.51(3), Florida Statutes)

11.

Any substantially affected person who claims that final action of the District constitutes an unconstitutional taking of property without just compensation may seek review of the action in circuit court pursuant to Section 373.617, Florida Statutes, and the Florida Rules of Civil Procedures, by filing an action in circuit court within 90 days of the rendering of the final District action, (Section 373.617, Florida Statutes).

12.

Pursuant to Section 120.68, Florida Statutes, a person who is adversely affected by final District action may seek review of the action in the district court of appeal by filing a notice of appeal pursuant to the Florida Rules of Appellate Procedure, within 30 days of the rendering of the final District action.

13.

A party to the proceeding before the District who claims that a District order is inconsistent with the provisions and purposes of Chapter 373, Florida Statutes, may seek review of the order pursuant to Section 373.114, Florida Statutes, by the Florida Land and Water Adjudicatory Commission, by filing a request for review with the Commission and serving a copy on the Department of Environmental Protection and any person named in the order within 20 days of adoption of a rule or the rendering of the District order.

14.

For appeals to the District Courts of Appeal, a District action is considered rendered after it is signed on behalf of the District, and is filed by the District Clerk.

15.

Failure to observe the relevant time frames for filing a petition for judicial reviews described in paragraphs #11 and #12, or for Commission review as described in paragraph #13, will result in waiver of that right to review.

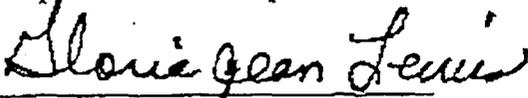
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing Notice of Rights has been sent by U.S. Mail to:

2717

501 SR 44
Leesburg FL 34748

at 4:00 p.m. this ²⁰ ~~30~~ of ^{October} ~~September~~, 1999



Gloria Lewis, Director
Division of Permit Data Services

St. Johns River Water Management District
Post Office Box 1429
Palatka, FL 32178-1429
(904) 329-4566