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Public Service Commission

August 21, 2007

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COMMISSION
CLERK

Mr. Len Tabor
Enviro-masters Water and Wastewater
C/O Century – Fairfield Village, Ltd.
2609 Southwest 33rd Street
Suite 102
Ocala, Florida 34471

Re: Docket No. 070548-WS - Application for Certificates to provide water and wastewater service in Marion County by Century – Fairfield Village, Ltd.

Dear Mr. Tabor:

After reviewing the application in the above referenced docket, staff has identified the following deficiencies and additional information needed to complete our review and processing of the application.

Deficiencies

1. As required by Section 367.045(1) (a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code (F.A.C.), the utility must provide notice of the application and affidavits that the notice was given to the customers, the governing bodies, and privately owned water and wastewater utilities. The notice must also be published in a local newspaper of general circulation. If the utility needs a list of the entities to notice, that list will be provided by the Commission staff upon request. Please provide a copy of the notice of the application and affidavits of noticing as required by Rule 25-30.030, F.A.C. Enclosed is a copy of Rule 25-30.030, F.A.C. and an example of a notice.
2. The application filing indicated that evidence of financial ability would be provided as a late filed exhibit, but it has not been received as of today. Therefore, as evidence of financial ability to provide water and wastewater service to the area, please provide a detailed financial statement (balance sheet, along with a copy of the applicant's 2006 tax return, and income statement), of the financial condition of the applicant, that shows all assets and liabilities. The financial statements should demonstrate that the applicant has the capital resources to support the financial needs of the utility. In addition, provide a list of all entities and affiliates, upon which the applicant is relying to provide funding to the utility.

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3. Please submit the original and two copies of the model water and wastewater tariff containing all rates, classifications, rules and regulations, which are consistent with Chapter 25-9, Florida Administrative Code. Exhibit L is not sufficient or consistent with Chapter 25-9, F.A.C. A copy of the model tariffs is assessable on the PSC website at <http://www.floridapsc.com>. Please submit water rates on the water tariff and wastewater rates on the wastewater tariff. In addition, please submit a copy of a customer bill, which contains all information required by Rule 25-30.335(1), F. A.C.
4. Rule 25-30.034(1) (j), F.A.C., requires that the proposed territory be plotted on the territory maps by use of metes and bounds or quarter sections, and with a defined reference point of beginning. The maps submitted with the application (Exhibit N) did not have this information. Please revise and submit the maps to show metes and bounds or quarter sections, with a defined reference point of beginning.
5. Rule 25-30.034(1) (k), F.A.C., requires the numbers and dates of any permits for the systems by the Department of Environmental Protection (DEP). Although the application did include permit information for the wastewater system, there was no mention of water system permitting. Please submit the required information for the water system permit.

Additional Information

1. Provide a cost study and/or support for the proposed rates. Please include a schedule showing the original cost of the water and wastewater utility assets, depreciation, contribution in aide of construction, and operating expenses of the utility by the National Association of Regulatory Utility Commissioners Uniform system of accounts (NARUC USOA); and a schedule showing the proposed capital structure.
2. Exhibits E and H are warranty deeds for the entire service area. The descriptions for the parcels of land are identical for each system on the exhibits. Please provide a description and the acreage of the parcels on which the water and wastewater treatment facilities are located. When was the land for the water and wastewater facilities dedicated to public service? What was the value of the land at that time?
3. Exhibit I of the application indicated that plant operations are being performed by licensed personnel. Please provide the names and DEP certification numbers of these operators. Also, please provide copies of the latest DEP Sanitary Survey for the water system, and DEP Compliance Evaluation Inspection Report for the wastewater system.
4. Please provide a statement regarding who will provide the billing, accounting, legal, and/or customer services. The statement should also include detailed information as to how the proposed costs are determined for each of the services listed. If services to operate and manage the utility are currently under contract, please provide a copy of the contract. Also, provide the names and duties of the utility employees.
5. Please provide copies of purchased power invoices for the year 2006 to the present.
6. According to Exhibits J and K, the SWFWMD mandated the water and wastewater charges which are based upon a report. Please submit a copy of the SWFWMD

mandate and the report used to support the mandate. In addition, please provide all available usage data for residential and commercial customers.

7. Are the customers aware that the Southwest Florida Water Management District (SWFWMD) mandated the implementation of conservation rates for water and wastewater? If so, how was this information provided to the customers? Has the utility begun charging for water or wastewater service? If so, when were the rates implemented?
8. Please provide documentation, such as the property owners' tax return to show whether the cost for the lines have been depreciated or written off to the cost of goods sold. If the lines are being depreciated, include the depreciation schedule filed with the 2006 tax return.
9. Are there any unmetered lots in the development? If so, please submit Original Sheet No. 24.0 with a description of the utility's proposed service availability policy and charges.
10. The maps included in the application indicate that there is a club house, office, and a pool located on the grounds. Have meters been installed on these facilities?

The **original and four copies** of the response to the information requested in this letter should be filed with the Commission on or before **September 20, 2007**. When filing the response, please be sure to refer to Docket No. 070548-WS and direct the response to:

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Should you have any questions concerning the information in this letter, please contact Stan Rieger at (850) 413-6970 or Cheryl Johnson at (850) 413-6984.

Sincerely,

Patti Daniel
Bureau Chief
Bureau of Certification, Economics & Tariffs

PD: caj

Enclosure

cc: Division of Economic Regulation (Johnson, Rieger)
Office of the General Counsel (Bennett)
Office of Commission Clerk (Cole)

25-30.030 Notice of Application.

(1) When a utility applies for a certificate of authorization, an extension or deletion of its service area, or a sale, assignment or transfer of its certificate of authorization, facilities or any portion thereof or majority organizational control, it shall provide notice of its application in the manner and to the entities described in this section.

(2) Before providing notice in accordance with this section, a utility shall obtain from the Commission a list of the names and addresses of the municipalities, the county or counties, the regional planning council, the Office of Public Counsel, the Commission's Office of Commission Clerk, the appropriate regional office of the Department of Environmental Protection, the appropriate water management district, and privately-owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located. In addition, if any portion of the proposed territory is within one mile of a county boundary, the utility shall obtain from the Commission a list of the names and addresses of the privately-owned utilities located in the bordering counties and holding a certificate granted by the Commission. The utility's request for the list shall include a complete legal description of the territory to be requested in the application that includes:

(a) A reference to township(s), range(s), land section(s) and county; and

(b) A complete and accurate description of the territory served or proposed to be served in one of the following formats. The description may reference interstates, state roads, and major bodies of water. The description shall not rely on references to government lots, local streets, recorded plats or lots, tracts, or other recorded instruments.

1. Sections: If the territory includes complete sections, the description shall only include the township, range, and section reference. If the territory includes partial sections, the description shall either identify the subsections included or excluded.

2. Metes and bounds: A point of beginning which is referenced from either a section corner or a subsection corner, such as a quarter corner. The perimeter shall be described by traversing the proposed territory and closing at the point of beginning. The description shall include all bearings and distances necessary to provide a continuous description.

(3) The notice shall be appropriately styled:

(a) Notice of Application for an Initial Certificate of Authorization for Water, Wastewater, or Water and Wastewater Certificate;

(b) Notice of Application for an Extension of Service Area;

(c) Notice of Application for Deletion of Service Area;

(d) Notice of Application for a Transfer of Water, Wastewater, or Water and Wastewater Certificate(s); or

(e) Notice of Application for a Transfer of Majority Organizational Control.

(4) The notice shall include the following:

(a) The date the notice is given;

(b) The name and address of the applicant;

(c) A description, using township, range and section references, of the territory proposed to be either served, added, deleted, or transferred; and

(d) A statement that any objections to the application must be filed with the Director, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, no later than 30 days after the last date that the notice was mailed or published, whichever is later.

(5) Within 7 days of filing its application, the utility shall provide a copy of the notice by regular mail to:

(a) The governing body of the county in which the utility system or the territory proposed to be served is located;

(b) The governing body of any municipality contained on the list obtained pursuant to subsection (2) above;

(c) The regional planning council designated by the Clean Water Act, 33 U.S.C. 1288(2);

(d) All water or wastewater utilities contained on the list(s) obtained pursuant to subsection (2) above;

(e) The office of Public Counsel;

(f) The Commission's Office of Commission Clerk;

(g) The appropriate regional office of the Department of Environmental Protection; and

(h) The appropriate Water Management District.

(6) No sooner than 21 days before the application is filed and no later than 7 days after the application is filed, the utility shall also provide a copy of the Notice, by regular mail or personal service, to each customer, of the system to be certificated, transferred, acquired, or deleted.

(7) The Notice shall be published once in a newspaper of general circulation in the territory proposed to be served, added,

deleted, or transferred. The publication shall be within 7 days of filing the application.

(8) A copy of the notice(s) and list of the entities receiving notice pursuant to this rule shall accompany the affidavit required by Sections 367.045(1)(e) and (2)(f), F.S. The affidavit shall be filed no later than 15 days after filing the application.

(9) This rule does not apply to applications for grandfather certificates filed under Section 367.171, F.S., or to applications for transfers to governmental authorities filed under Section 367.071, F.S., or to name changes.

Specific Authority 350.127(2), 367.121(1) FS. Law Implemented 367.031, 367.045, 367.071 FS. History—New 4-5-81, Formerly 25-10.061, 25-10.0061, Amended 11-10-86, 1-27-91, 11-30-93.