

COMMISSIONERS:
MATTHEW M. CARTER II, CHAIRMAN
LISA POLAK EDGAR
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

May 1, 2008

RECEIVED-FPSC
08 MAY -2 PM 12:49
COMMISSION
CLERK

Alfred Heiler
Orangewood Lakes Services, Inc.
7602 Congress Street, Ste. 4
New Port Richey, FL 34653

Re: Docket No. 070680-WS - Staff Assisted Rate Case for Orangewood Lakes Services, Inc. in Pasco County

Dear Mr. Heiler:

In order for staff to complete its analysis for the final recommendation, please provide responses to the following.

- 1) Orangewood Lakes Services, Inc. (Orangewood or Utility) has collected CIAC ranging from \$125 to \$500 dollars. Please provide documentation regarding the amounts collected for CIAC from inception to the present.
- 2) Please provide a detailed breakdown of the monthly operator fee to Gator Water and Wastewater Management, Inc. (Gator). Please indicate what services are provided and how much the water and wastewater systems should be allocated.
- 3) In order to properly allocate expenses between the water and wastewater systems, please provide a detailed description of the job duties, with approximate hours per month, performed by Mr. Alfred Heiler and Michele Towns.
- 4) It is staff's understanding the Utility and Orangewood Lakes Mobile Home Community (mobile home community) are both 100% owned by the Alfred Heiler Trust and there are no dollar amounts directly paid by either company to the other. The mobile home community receives bulk water and wastewater from the Utility in exchange for services provided to the Utility. The following questions relate to the Orangewood Lakes mobile home community.
 - a) Based on staff's review of service maps on file, Orangewood is serving the mobile home community which is outside of the Utility's certificated service territory.
 - i) State the entity's name who has the authorized certificate to serve the mobile home community?
 - ii) Why hasn't the Utility filed an amendment to its certificate to serve this territory?
 - iii) How long has the mobile home community been in existence?

RECORDED & INDEXED
03637 MAY -2 08
FPSC-COMMISSION CLERK

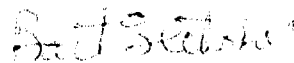
- b) Please provide copies of the mobile home community's prospectus since its existence?
- c) Is the mobile home community master metered? Please provide the number of water gallons used by the mobile home community.
- d) According to the Utility, the land upon which the water and wastewater plant, percolation ponds, and subsurface drain lines are located is leased from the mobile home community. The land is leased at \$0. Please provide how much it would actually cost, at fair market value, for the Utility to lease the land from the mobile home community. In response, Orangewood should include all documentation supporting its amount to lease this land.
- e) For the last tax year, how much did the mobile home community pay in taxes for the land and improvements.
- f) Please provide the number of hours per month that the mobile home community personnel spend maintaining the grounds of the water and wastewater plants and the percolation ponds. How much is their hourly salary? Also, in relation to the total mobile home community, what percentage of the grounds is being maintained for the Utility?
- g) As a service, the Utility indicated that the mobile home community personnel disposes of the sludge accumulation in the percolation ponds on an on-going basis. The Utility has invoices for the test year from Arthur Price Septic Tank Service for sludge hauling and contract cleaning of the lift stations. There appears to be some duplication of services. Please explain the similarities and differences between the services provided by Arthur Price and the mobile home community?
- h) The Utility indicated that the mobile home community personnel perform daily checks on the Utility's water and wastewater plant. The personnel maintains the chlorinators at the wastewater plant and maintains the level in the tanks. At the water plant, the personnel maintains the chlorine levels in the chlorine tank. On a daily basis, the personnel checks the wastewater lift station and removes and repairs clogged pumps as required. The personnel also checks the wastewater blowers and performs minor repairs on the blowers as well as minor repairs to the water plant.
 - i) How do the duties that the mobile home community personnel perform at the water and wastewater plants differ from the services provided by Gator?
 - ii) For the test year ending December 31, 2007, please provide any invoices for repairs to the water and wastewater plant performed by personnel of the mobile home community.
- i) The mobile home community provides a generator to the Utility. Please provide, at fair market price, the amount the mobile community would rent the generator to the Utility. Also, please provide an estimate of what it would cost for the Utility to purchase its own generator.

Mr. Heiler
Page 3
May 1, 2008

- j) The Utility requested a pro forma increase in engineering expenses of \$500. Please provide a detailed description of the engineering expenses. Also, please provide an invoice or documentation to support the increase.

Please provide the responses by May 21, 2008. If you have any questions with regard to this matter, please feel free to contact Shannon Hudson at (850) 413-7021.

Sincerely,



Bart Fletcher
Public Utilities Supervisor

BF/sh

cc: Division of Economic Regulation (Bulecza-Banks, Hudson, Massoudi, Bruce)
Office of General Counsel (Klancke)
Office of Commission Clerk (Docket No. 070680-WS)