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August 27, 2008

HAND DELIVERY

Ann Cole, Commission Clerk Office of Commission Clerk Floridc a Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

RE: Docket No. 080248-SU; Tierra Verde Utilities, Inc.'s Application for an Increase in Wastewater Rates Increase in Pinellas County, Florida

Our File No.: 30057.156

Dear Ms. Cole:

Enclosed are the following for filing in the above-referenced docket:

• Sixteen (16) copies of the Minimum Filing Requirements (Volume I) 7787-08

Sixteen (16) copies of the Application for Increase in Rates \mathcal{O}

• Two (2) copies of the Billing Analysis (Volume II) OOOSS = OS

COM	•	Two (2) copies of the bining Analysis (volume ii) \bigcirc 7 7 8 8 - 0 8
ECR	•	Two (2) copies of the Additional Engineering Information (Volume III)
GCL OPC RCP	<u>_</u> .	Sixteen (16) copies of the Affidavit required by Rule 25-22.0407, Florida Administrative Code
SSC SGA	•	One (1) detailed map 07791-08 [forwarded to ECR]
ADM CLK	•	The original and three (3) copies of the proposed Interim Rate Tariff Sheets (Exhibit "B" to the Application). On 192-08 [Taniffs Forwarded to ECR]

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

• The original and three (3) copies of the proposed Final Rate Tariff Sheets (Exhibit "C" to the Application). $\bigcirc \bigcirc \bigcirc$

Operating Services Agreement (Exhibit "A" to the Application) 07794-08 (Istquarter) 07794-08 (Istquarter) 07798-08 (44hQuarter) Allocation Manuals 07796-08 (3rd Quarter) 07798-08 (44hQuarter) 07797-08 (3rd Quarter)

- Our check in the amount of \$2,000.00 representing the appropriate filing fee.

Should you have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,

MARTIN S. FRIEDMAN

For the Firm

MSF/mp Enclosures

cc: John Hoy, Chief Regulatory Officer (w/enclosures)

Rick Durham, Regional Vice President for Operations (w/o enclosures)

Patrick C. Flynn, Regional Director (w/enclosures)

Mr. Frank Seidman (w/enclosures)
Ms. Debbie Swain (w/enclosures)

M:\1 ALTAMONTE\UTILITIES INC\TIERRA VERDE\(.156) 2008 RATE CASE\PSC Clerk 01 (Filing Application).ltr.wpd

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of TIERRA VERDE UTILITIES, INC. for an increase in wastewater rates in Pinellas County, Florida

DOCKET NO. 080248-SU

<u>APPLICATION FOR INCREASE IN RATES</u>

Applicant, TIERRA VERDE UTILITIES, INC. (the "Utility"), by and through its undersigned attorneys and pursuant to Section 367.081 and 367.082, Florida Statutes, and Chapter 25-30, Florida Administrative Code, files this Application for an increase in its wastewater rates in Pinellas County, Florida.

Preliminary Matters

- 1. The following information is provided pursuant to Rule 25-30.436, Florida Administrative Code:
 - (a) (i) The name of the Utility and its mailing address is:

Tierra Verde Utilities, Inc. 2335 Sanders Road Northbrook, IL 60062

(ii) The address of the Florida office is:

Tierra Verde Utilities, Inc. 200 Weathersfield Avenue Altamonte Springs, FL 32714-4099

(iii) The names and address of the persons authorized to receive notices and communications in respect to this application are:

Martin S. Friedman, Esquire Christian W. Marcelli, Esquire Rose, Sundstrom & Bentley, LLP 2180 W. State Road 434, Suite 2118 Longwood, FL 32799

Telephone: (407) 830-6331/Fax: (407) 830-8522

Email: mfriedman@rsbattorneys.com

cmarcelli@rsbattorneys.com

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DOCUMENT NUMBER-DATE

(b) The Utility is a Florida corporation incorporated in Florida on August 6, 1992. The names and addresses of the persons owning more than 5% of the Utility's stock are:

Utilities, Inc. 2335 Sanders Road Northbrook, IL 60062 100%

- (c) The Company's last rate proceeding was in Docket No. 060255-SU, which culminated in Order No. PSC-07-0082-PAA-SU, issued January 27, 2007. That Order was declared final in Order No. PSC-07-0164-CO-SU, issued February 23, 2007. Rates were set utilizing a test year ending December 31, 2005.
- (d) The address where the Application is available for customer inspection during the time the rate application is pending is:

Tierra Verde Utilities, Inc. 200 Weathersfield Avenue Altamonte Springs, FL 32714-4099

(e) The Utility is requesting wastewater rates which would allow it to recover all expenses that the Utility will incur on a going-forward basis utilizing an historical test year, and generate a fair rate of return on its investment on all property considered used and useful in the public service. The revenue which the Utility requests should be adjusted to incorporate the repression in the customer usage as a result of the rates established in this case, in accordance with the standard methodology as utilized by the Staff.

The Utility has demonstrated through the supporting schedules within the attached Volume I that it is earning outside its range of reasonable returns, calculated in accordance with Section 367.082(5), Florida Statutes. Submitted as part of Volume I are schedules of rate base (Schedules A-1 and A-2), cost of capital (Schedule D-1) and net

operating income (Schedule B-1 and Schedule B-2), as applicable, pursuant to Commission Rule 25-30.437(5), F.A.C.

- (f) The Affidavit of Lawrence N. Schumacher, the President of the Utility that the Utility will comply with Rule 25-22.0407, F.A.C., is attached hereto.
- (g) The Utility requests that this Application be processed under the Commission's proposed agency action procedure outlined in Section 367.081(8), Florida Statutes.
 - 2. The appropriate filing fee of \$2,000 (501 to 2,000 ERCs) is filed herewith.
- 3. The Utility knows of no deviations from the policies, procedures and guidelines prescribed by the Commission in relevant rules or in the Utility's last rate case.

Additional Information

I.

Sixteen copies of the Utility's Financial, Rate and Engineering Minimum Filing Requirements (Form PSC/WAW 20) are provided herewith as Volume I.

II.

The Utility has costs or charges to it from an affiliate or related party. These costs are reported in Schedule B-12 of Volume I. The Allocation Manuals for the four quarters of 2007 are attached hereto. The Operating Agreement between Utility and Water Service Corp., is attached hereto as Exhibit "A".

Two copies of the Billing Analysis Schedules as required by Rule 25-30.437(4) are provided herewith as Volume II.

IV.

Two copies of the Additional Engineering Information required by Rule 25-30.440(2)-(10), F.A.C. are provided herewith as **Volume III**.

V.

One copy of a detailed system map, as required by Section 25-30.440(1)(a) and (b), is provided herewith.

VI.

The original and two (2) copies of the Revised Tariff Sheets reflecting the proposed interim and final wastewater rates are attached hereto as Exhibit "B" and Exhibit "C", respectively.

VII.

A reconciliation of the annual report to the trial balance and MFRs is attached hereto as Exhibit "D".

VII.

The Utility requests that the Commission not withhold consent to the effectiveness of the proposed final wastewater rate increase as requested in this Application in accordance with the schedules contained in Volume I and the tariffs contained in Exhibit "C".

WHEREFORE, the Utility requests that the Florida Public Service Commission do the following:

- 1. Accept jurisdiction of this Application to grant an increase in wastewater rates utilizing the PAA procedure outlined in Section 367.081(8), F.S.
- Grant interim and final wastewater rates as requested herein and contained in the tariffs included in Exhibit "B" and Exhibit "C".
- 3. Provide such other and further relief as is fair, just and equitable.

Respectfully submitted this 27th day of August, 2008, by:

ROSE, SUNDSTROM & BENTLEY, LLP 2180 W. State Road 434, Suite 2118 Longwood, FL 32799

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Fax: (407) 830-8522 mfriedman@rsbattorneys.com

MARTIN S. FRIEDMAN

For the Firm

NOTE:

IN ACCORDANCE WITH PUBLIC SERVICE COMMISSION RULE 25-22.0407(2), THE MFRs, WHEN ACCEPTED BY THE COMMISSION, CAN BE OBTAINED FROM THE UTILITY UPON REQUEST.