

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

October 7, 2008

RECEIVED-FPSC
08 OCT -7 PM 4:23
COMMISSION
CLERK

Ms. Darcie Maldonado
Cedar Acres Inc.
P. O. Box 13726
Tampa, Florida 33681

Re: Docket No. 080098-WU: Application for certificate to provide water service in Sumter County by Cedar Acres Inc.

Dear Ms. Maldonado:

Staff has reviewed the deficiency response of September 10, 2008, for the above referenced application by Cedar Acres Inc. We have determined that there is still a deficiency and some requests for additional information which need to be addressed for this application.

Deficiencies

1. Ownership or continued use of land. Pursuant to Rule 25-30.034(1)(e), Florida Administrative Code (F.A.C.), the application is to include evidence that the utility owns the land upon which the utility treatment facilities are located, or a copy of an agreement which provides for the continued use of the land, such as a 99-year lease. Since the utility, Cedar Acres Inc., is part of a larger corporation of the same name, an executed and recorded warranty deed which includes the utility land and in the exact name of the larger corporation may be submitted. Please provide a copy of the executed and recorded warranty deed..
2. System map. Pursuant to Rule 25-30.034(1)(i), F.A.C., the application is to include a copy of a detailed system map showing the lines, treatment facilities, and the territory to be served. Any territory not served at the time of the application shall be specifically identified on the system map. The map shall be of sufficient scale and detail to enable correlation with the description of the territory to be served. We understand that all available maps were submitted, however, the application did not include a system map. Farmer, Barley and Associates, Inc., in Wildwood, Florida, is familiar with the mapping requirements of the Public Service Commission and would be able to assist you with preparing the map for submittal. You may wish to select another engineering firm. Another option is to obtain a plat map and draw in the water line locations including pipe size diameter, the treatment facilities, and the territory to be served. Color coding of pipe size on the map is acceptable.

DOCUMENT NUMBER 080098-WU
09478 OCT -7 80
FPSC-COMMISSION CLERK

Additional Information

1. Please provide a copy of the most recent income tax return for the corporation, including a depreciation schedule showing whether the utility assets are being depreciated. The information for tax year 2006-2007 would be fine.
2. Please provide a schedule showing the revenue and expenses for the utility operations for 2007. The information for tax year 2006-2007 would be fine.
3. It is staff's understanding that the utility is included within a larger entity known as Cedar Acres Inc. Please provide a statement from the appropriate representative of the corporation that the corporation will continue to provide financial support to the utility.

It has come to our attention that the applicant would like the Commission to set new rates for the utility. If so, then additional data would need to be provided in order to support the utility's proposed new rates. In the alternative, in order to expedite the process for approving a certificate of authorization in this docket, we recommend that you complete the requirements of this application and, upon receiving a water certificate, then apply for a staff assisted rate case. If you prefer to seek a rate change in this docket, please let us know and we will advise you of the additional filing requirements.

Please note that, pursuant to Section 367.031, Florida Statutes, each utility subject to the jurisdiction of the commission must obtain from the commission a certificate of authorization to provide water service. In addition, Section 367.161(1), Florida Statutes, authorizes us to assess a penalty up to \$5,000 per day for knowingly refusing to comply with, or willfully violating any provision of Chapter 367, Florida Statutes. This is the fourth deficiency letter we have issued with many of the same items included. It is imperative that these deficiencies be completed by the deadline given below.

The original and four copies of the response to the deficiencies and other information requested in this letter should be filed with the Commission on or before **December 15, 2008**. When filing the response, please be sure to refer to the docket number and to direct the response to:

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

Ms. Darcie Maldonado

Page 3

October 7, 2008

Should you have any questions concerning the information in this letter, please contact Stephanie Clapp, of my staff, at (850) 413-6997.

Sincerely,

A handwritten signature in cursive script that reads "Patti Daniel".

Patti Daniel

Public Utilities Supervisor

Bureau of Certification, Economics & Tariffs

pd/sc

cc: David Welch
Division of Economic Regulation (Clapp, Walden, Marsh)
Office of the General Counsel (Young)
Office of Commission Clerk