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

Public Service Commission

RECEIVED-FPSC
09 OCT -5 PM 12:20
COMMISSION
CLERK

October 2, 2009

Mike Smallridge, Utility Consultant
1645 W. Main Street
Inverness, FL 34450

Re: Docket No. 080668-SU - Staff Assisted Rate Case for Fairmount Utilities, the 2nd, Inc. in Highlands County

Dear Mr. Smallridge:

On August 18, 2009, the Commission voted on staff's recommendation dated August 6, 2009. A Proposed Agency Action (PAA) Order No. PSC-09-0628-PAA-SU was issued on September 17, 2009. The 21-day protest period will expire on October 8, 2009. If no protest is filed, the rates and charges approved by this Commission will become final. The Utility must submit revised tariff pages for staff's approval before the Utility can implement new rates.

Enclosed are examples of revised tariffs for this Utility. Although staff has prepared revised tariffs for this Utility, it is the Utility's responsibility to make sure all tariffs submitted to the Commission are complete and accurate. A copy of the customer notice informing the Utility's customers of the Commission's approved increase must also be submitted for staff's review and approval. Once approved, the notice must be mailed to the Utility's customer prior to the Utility charging the new rates. Further, the Utility may not charge the new rates prior to the stamped effective date shown on the tariff sheets. Staff has included an example of a Commission approved customer notice.

Please mail the revised tariff pages and a copy of the proposed customer notice to:

Shannon Hudson
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

DOCUMENT NUMBER - DATE
10242 OCT-5 09
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Mr. Smallridge
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Enclosed is a copy of accumulated plant, depreciation, CIAC and amortization of CIAC schedule reflecting year end balances at September 30, 2008. The Commission approved these balances for rate setting purposes in this case. Please reconcile your books with the Commission-approved accumulated balances shown on the enclosed schedule.

If you have any questions, please contact me at (850) 413-7021.

Sincerely,



Shannon J. Hudson
Regulatory Analyst IV

SH/
Enclosures (3)

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher)
Office of General Counsel (Williams)
Division of Regulatory Compliance (Deamer)
Office of Commission Clerk (080668-SU)

NAME OF COMPANY FAIRMOUNT UTILITIES, THE 2ND, INC.

WASTEWATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For wastewater service to all Customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

| <u>RATE</u> - | <u>Meter Size</u> | <u>Base Facility Charge</u> |
|---------------|----------------------------------|-----------------------------|
| | 5/8 x 3/4" | \$ 17.39 |
| | 3/4" | \$ 26.09 |
| | 1" | \$ 43.48 |
| | 1-1/2" | \$ 86.95 |
| | 2" | \$139.12 |
| | 3" | \$278.24 |
| | 4" | \$434.76 |
| | 6" | \$869.51 |
| | Gallage Charge per 1,000 gallons | \$ 4.21 |

- MINIMUM CHARGE - The applicable base facility charge per month.
- TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days, written notice is mailed to the customers separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Staff-Assisted Rate Case

Roger Miller
Issuing Officer

President
Title

DOCUMENT NUMBER - DATE

10242 OCT-58

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NAME OF COMPANY FAIRMOUNT UTILITIES, THE 2ND, INC.

WASTEWATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For wastewater service for all purposes in private residences and individually metered apartment units.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - MONTHLY

| <u>RATE</u> - | <u>Meter Size</u> | <u>Base Facility Charge</u> |
|---------------|---|-----------------------------|
| | 5/8 x 3/4" | \$ 17.39 |
| | 3/4" | \$ 26.09 |
| | 1" | \$ 43.48 |
| | 1-1/2" | \$ 86.95 |
| | 2" | \$139.12 |
| | 3" | \$278.24 |
| | 4" | \$434.76 |
| | 6" | \$869.51 |
| | Gallonge Charge per 1,000 gallons (Maximum cap of 6,000 gallons) | \$ 3.51 |

MINIMUM CHARGE - The applicable base facility charge per month.

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days, written notice is mailed to the customers separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE -

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Roger Miller
Issuing Officer

President
Title

NAME OF COMPANY FAIRMOUNT UTILITIES, THE 2ND, INC.

WASTEWATER TARIFF

CUSTOMER DEPOSITS

ESTABLISHMENT OF CREDIT - Before rendering wastewater service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

| | <u>Residential</u> | <u>General Service</u> |
|---------------------|--------------------|------------------------|
| 5/8" x 3/4" | \$46.44 | \$46.44 |
| All Over 5/8 x 3/4" | 2 x average bill | 2 x average bill |

ADDITIONAL DEPOSIT - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rule 25-30.311(4) and (4a). The Company will pay or credit accrued interest to the Customer's account during the month of January each year.

REFUND OF DEPOSIT - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rule 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING - Staff-Assisted Rate Case

Roger Miller
Issuing Officer

President
Title

WASTEWATER

**Docket No. 080668-SU, Fairmount Utilities, The 2nd, Inc.
Commission Approved Balances per Order No. PSC-09-0628-PAA-SU for year end
9/30/2008**

| <u>ACCOUNT</u> | <u>Depr. Rate Per Rule 25-30.140</u> | <u>DESCRIPTION</u> | <u>Debit PLANT 9/30/2008</u> | <u>Credit ACCUM. DEPR. 9/30/2008</u> |
|----------------|--|-----------------------------------|--------------------------------------|--|
| 354 | 3.70% | Structures & Improvements - Fence | \$3,884 | \$1,250 |
| 354 | 3.70% | Structures & Improvements - Tank | \$27,779 | \$24,151 |
| 360 | 3.70% | Collection Sewers Force | \$9,507 | \$343 |
| 361 | 2.50% | Collection Sewers Gravity | \$54,339 | \$47,864 |
| 362 | 2.70% | Special Collecting Structures | \$24,260 | \$24,008 |
| 363 | 2.86% | Services to Customers | \$20,251 | \$19,786 |
| 380 | 6.67% | Treatment Disposal - Perc Ponds | \$35,686 | \$31,518 |
| 380 | 6.67% | Treatment Disposal - Blower | \$7,963 | \$6,068 |
| 380 | 5.56% | Treatment Disposal - Other | \$32,268 | \$31,835 |
| 390 | 6.67% | Office Equipment & Furniture | \$488 | \$57 |
| Total | | | <u><u>\$ 216,425</u></u> | <u><u>\$ 186,879</u></u> |

| <u>Debit</u> | <u>Credit</u> |
|---------------------------------------|----------------------------|
| <u>CIAC AMORT. 12/31/2007</u> | <u>CIAC 12/31/2007</u> |
| <u><u>\$ 2,110</u></u> | <u><u>\$ 2,508</u></u> |