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STATE OF FLORIDA



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

# Public Service Commission

October 2, 2009

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

Damon Utilities, Inc.  
Attn: Rodney Davis  
47 Lake Damon Drive  
Avon Park, FL 33825

**Re: Docket No. 080709-WS - Staff Assisted Rate Case for Damon Utilities, Inc. in Highlands County.**

Dear Mr. Davis:

On August 18, 2009, the Commission voted on staff's recommendation dated August 6, 2009. A Proposed Agency Action (PAA) Order No. PSC-09-0618-PAA-WS was issued on September 11, 2009. The 21-day protest period will expire on October 2, 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:

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

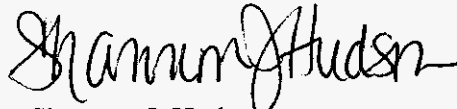
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FPSC-COMMISSION CLERK

Mr. Davis  
Page 2  
October 2, 2009

Enclosed is a copy of an accumulated plant and depreciation schedule reflecting year end balances at December 31, 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 Lydia Roberts at (850) 413-6877.

Sincerely,



Shannon J. Hudson  
Regulatory Analyst IV

SJH:lr  
Enclosures (3)

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Roberts)  
Office of General Counsel (Williams)  
Division of Regulatory Compliance (Deamer)  
Office of Commission Clerk (080709-WS)

NAME OF COMPANY: DAMON UTILITIES, INC.

WATER TARIFF

GENERAL SERVICE  
RATE SCHEDULE GS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For water 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"	\$ 10.48
	3/4"	\$ 15.72
	1"	\$ 26.20
	1 1/2"	\$ 52.40
	2"	\$ 83.84
	3"	\$ 167.68
	4"	\$ 262.00
	6"	\$ 524.00

Gallage Charge  
Per 1,000 Gallons \$ 3.20

MINIMUM BILL - 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-one (21) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Staff-Assisted Rate Case

J. A. Harstine  
ISSUING OFFICER

President  
TITLE

DOCUMENT NUMBER - DATE  
10243 OCT-5 88  
FPSC-COMMISSION CLERK

NAME OF COMPANY: DAMON UTILITIES, INC.

WATER TARIFF

RESIDENTIAL SERVICE  
RATE SCHEDULE (RS)

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For water 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"	\$ 10.48
	3/4"	\$ 15.72
	1"	\$ 26.20
	1 1/2"	\$ 52.40
	2"	\$ 83.84
	3"	\$ 167.68
	4"	\$ 262.00
	6"	\$ 524.00

<u>Gallonage Charge</u> Per 1,000 Gallons	\$ 3.20
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MINIMUM BILL - 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-one (21) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Staff-Assisted Rate Case

J. A. Harstine  
ISSUING OFFICER

President  
TITLE

NAME OF COMPANY: DAMON UTILITIES, 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

RATE -

Meter Size:

Base Facility Charge:

5/8" x 3/4"	\$ 17.49
3/4"	\$ 26.24
1"	\$ 43.73
1 1/2"	\$ 87.45
2"	\$ 139.92
3"	\$ 279.84
4"	\$ 437.25
6"	\$ 874.50

Gallage Charge

Per 1,000 Gallons

\$ 8.96

MINIMUM BILL - 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-one (21) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Staff-Assisted Rate Case

J. A. Harstine  
ISSUING OFFICER

President  
TITLE

NAME OF COMPANY: DAMON UTILITIES, 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

RATE - Meter Size:  
All meter sizes \$17.49

GALLONAGE CHARGE - Per 1,000 gallons \$7.47  
(6,000 gallons max. per month)

MINIMUM BILL - 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 customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Staff-Assisted Rate Case

Christopher F. Miller  
ISSUING OFFICER

President  
TITLE

**Docket No. 080709-WS, Damon Utilities, Inc.**  
**Commission Approved Balances per Order No. PSC-09-0618-PAA-WS for year end**  
**12/31/2008**

**WATER**

<u>ACCOUNT</u>	<u>Depr. Rate Per Rule 25-30.140</u>	<u>DESCRIPTION</u>	Debit	Credit
			PLANT 12/31/2008	ACCUM. DEPR. 12/31/2008
301	2.50%	Organization	\$6,226	\$3,514
304	3.70%	Structures	\$4,656	\$2,848
307	3.70%	Wells & Spring	\$6,285	\$4,932
309	3.13%	Supply Mains	\$1,126	\$550
310	5.88%	Power Generation Equipment	\$12,739	\$6,823
311	5.88%	Pumping Equipment	\$10,076	\$3,465
320	5.88%	Water Treatment Equipment	\$10,105	\$10,105
330	3.03%	Storage Tank	\$0	\$0
331	2.63%	Trans & Dist. Mains - Pipes	\$54,503	\$30,260
333	2.86%	Service to Customers	\$0	\$0
334	5.88%	Meters	\$33,290	\$20,802
335	2.50%	Fire Hydrant	\$0	\$0
340	6.67%	Office Furniture & Equipment	\$0	\$0
341	16.67%	Transportation Equipment	\$0	\$0
343	6.67%	Tools & Shop Equipment	\$2,660	\$2,345
		<b>Total</b>	<u>\$141,665</u>	<u>\$85,644</u>

Debit	Credit
CIAC AMORT. 12/31/2008	CIAC 12/31/2008
\$42,738	\$67,992

**WASTEWATER**

<u>ACCOUNT</u>	<u>Depr. Rate Per Rule 25-30.140</u>	<u>DESCRIPTION</u>	PLANT	ACCUM.
			12/31/2008	DEPR. 12/31/2008
351	2.50%	Organization	\$17,504	\$9,902
352	2.50%	Franchises	\$0	\$0
354	3.70%	Structures & Improvements	\$2,250	\$802
360	3.70%	Collection Sewers Force	\$17,337	\$10,984
361	2.50%	Collection Sewers Gravity	\$62,008	\$27,457
362	2.70%	Special Collecting Structure	\$0	\$0
364	20.00%	Flow Measuring Device	\$0	\$0
370	4.00%	Receiving Wells	\$7,048	\$1,097
380	6.67%	Treatment Disposal	\$94,406	\$89,483
381	3.13%	Plant Sewers	\$8,139	\$4,415
382	3.33%	Outfall Sewer Lines	\$21,652	\$16,490
389	6.67%	Other Plant and Misc. Equipment	\$0	\$0
390	6.67%	Office Equipment & Furniture	\$0	\$0
391	16.67%	Transportation Equipment	\$0	\$0
393	6.67%	Tools Shop and Garage Equip.	\$574	\$555
395	10.00%	Power Operated Equipment	\$0	\$0
398	10.00%	Other Tangible Plant	\$0	\$0
		<b>Total</b>	<u>\$230,918</u>	<u>\$161,185</u>

Debit	Credit
CIAC AMORT. 12/31/2008	CIAC 12/31/2008
\$33,379	\$65,866