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Public Service Commission

October 29, 2009

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COMMISSION
CLERK

Mr. Jon B. Stump
Orangedale Utilities, Inc.
528 Majestic Oak Parkway
St. Augustine, FL 32092

Re: Docket No. 090468-WS, Application for grandfather certificate to operate water and wastewater utilities in St. Johns County by Orangedale Utilities, Inc.

Dear Mr. Stump:

The above referenced application has been received and reviewed by my staff. This letter is a follow up to the telephone conversation we had on Monday, October 26, 2009. This letter addresses the deficiencies found by staff in the application filed on October 2, 2009. All items must be addressed in order to process the application.

Deficiencies

1. Territory description. Rule 25-30.035(9), Florida Administrative Code (F.A.C.), requires the application to include a description, using township, range, and section references, as specified in subsection 25-30.030(2), F.A.C., of the territory the utility was serving, or was authorized to serve when the Commission received jurisdiction in St. Johns County. The territory description in your application Part IV A, is inadequate. The territory description should include a point of beginning with a metes and bounds description or very clear township, range, and section references so that the description can be verified with your system maps. A copy of rule 25-30.030, F.A.C., and a sample territory description are enclosed for your reference. Please provide a complete territory description.
2. Territory lease. Rule 25-30.035(6), F.A.C., requires evidence that the utility owns or has a long term lease for the land upon which the utility treatment facilities are located. A copy of a long term Operation Service Contract was provided; however, Vinyard MHP is not an active registered entity with the State of Florida. Please renew the status with the Department of State, Division of Corporations and file a copy of active status with the Commission. The lease should specify that it is between Orangedale Utilities, Inc. and Jon B. Stump d/b/a The Vinyard Mobile Home Park.

Other Information Needed

1. Please provide a copy of the Orangedale Utilities, Inc. 2008 tax return, and include the depreciation schedule for the water and wastewater plant items.

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2. The Original Tariff Sheet No. 3.1 of both the water and wastewater tariffs are incorrect. Please provide corrected tariff sheets with the territory description developed for deficiency 1 above.
3. The water and wastewater tariffs indicate residential service rates which are not the rates charged when the Commission received jurisdiction within St. Johns County. Please provide revised tariff sheets using the rates the utility was charging as of January 16, 2009.
4. The Miscellaneous Service Charges sheet in both tariffs needs to include the late payment fee. Also, please provide a cost justification for each of the miscellaneous service charges, including the late payment fee. For your information, a sample copy of a cost justification is attached.
5. The sample customer bill included in the water and wastewater tariffs does not comply with Part IV of Chapter 25-30, Florida Administrative Code, which provides that any bill not paid within 20 days of issuance must be followed by a 5 day delinquency notice before a disconnection can occur. Wording to this effect must be included on the customer bill. Please provide revised sample customer bill tariff sheets.
6. The water tariff Original Sheet No. 17 includes charges that were not in effect when the Commission received jurisdiction in St. Johns County. Please provide a new tariff sheet with only those charges that the utility was charging as of January 16, 2009, such as meter installation fee.

The **original and four copies** of the response to the information requested in this letter should be filed with the Commission on or before **December 4, 2009**. 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

During our telephone conversation with you we stated that we would send a copy of the National Association of Regulatory Utility Commissioners' Uniform System of Accounts, which is the system that is required for all regulated utilities. Please find the two booklets one for water and one for wastewater enclosed.

Also enclosed are documents which you need to become familiar with for operating regulated utilities. First is a copy of Chapter 367, Florida Statutes, which is the law regarding water and wastewater utility regulation. Second is Chapter 25-30, F.A.C., which includes the rules for operation. Third is Chapter 25-22, F.A.C., which details protocol for appearing before the Commissioners. Fourth is Chapter 25-09, F.A.C., which explains the construction and filing of tariffs. Fifth is the booklet prescribing the preservation of records of water and wastewater utilities. Finally, enclosed are copies of a leaflet "Your Water and Wastewater Service," which are to be available for your customers.

Information regarding Staff Assisted Rate Case applications and pass through rate adjustments can be obtained by calling Mr. Bart Fletcher at (850) 413-7017.

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

Sincerely,



Patti Daniel
Public Utilities Supervisor
Bureau of Certification, Economics & Tariffs

pd/sc

Attachments

cc: **Division of Economic Regulation (Clapp, Kaproth)**
Office of the General Counsel (Williams)
Office of Commission Clerk