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STATE OF FLORIDA



MARSHALL WILLIS, DIRECTOR  
DIVISION OF ECONOMIC REGULATION  
(850) 413-6900

## Public Service Commission

April 8, 2010

D. Bruce May, Jr., Esquire  
Holland & Knight LLP  
315 South Calhoun Street, Suite 600  
Tallahassee, FL 32301

**Re: Docket No. 100114-WS, Application for approval of transfer of Horizon Homes of Central Florida, Inc. and Five Land Group LLC's water and wastewater systems to Aqua Utilities Florida, Inc., and for amendment of Certificate Nos. 507-W and 441-S in Sumter County.**

Dear Mr. May:

Staff has reviewed the above-reference docket and determined that the application is not deficient. However, as part of its analysis, staff requests the following additional information.

1. Rule Waiver: It appears to staff that either Option 1 or Option 2, as proposed by Aqua Utilities, Florida, Inc. (AUF) in its March 10, 2010 application letter, would require a petition for waiver of the acquisition adjustment rule pursuant to Rule 28-104.002, Florida Administrative Code. Please discuss whether AUF intends to file for a rule waiver.
2. Acquisition Adjustment Comparisons: Please provide analyses similar to the schedules shown in Attachment B to staff's August 6, 2009 recommendation in Docket No. 080517-WS, showing the average cost per equivalent residential connection for the Jumper Creek water and wastewater systems for the following scenarios:
  - a. Based on Rule 25-30.0371(3)(b), Florida Administrative Code.
  - b. Based on AUF's proposed Option 1, as set forth in its March 10, 2010 application.
  - c. Based on AUF's proposed Option 2, as set forth in its March 10, 2010 application.

Please describe all assumptions used to determine rate base, return on investments, operating expenses, and growth.

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3. Environmental Compliance. Please provide a statement regarding Jumper Creek's water and wastewater systems' compliance with the Department of Environmental Protection's rules and regulations. If there are any outstanding violations, the statement should include a description of the violation(s) and the steps AUF has taken, or proposes to take, to resolve the matter.

If you have any questions concerning the information requested above, please feel free to contact me at (850) 413-6808, [pdaniel@psc.state.fl.us](mailto:pdaniel@psc.state.fl.us), or a member of my staff, Ms. Patricia Brady at (850) 413-6686, [pbrady@psc.state.fl.us](mailto:pbrady@psc.state.fl.us), or Commission legal counsel, Mr. Erik Sayler, Esq. at (850) 413-6084.

Sincerely,



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

PD/PB:kb

cc: Division of Economic Regulation (Brady)  
Office of the General Counsel (Sayler)  
Office of Commission Clerk