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September 4, 2001

RECEIVED FPSC
SEP - 4 PM 2:24
COMMISSION
CLERK

Blanca S. Bayo, Director
Division of Records and Reporting
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 010492-WS
Application for General Water and Sewer Service Rate Increase in
Orange County by Zellwood Station Co-Op, Inc.

Dear Ms. Bayo:

Enclosed please find the following items with respect to the above-referenced docket: (1) the original and sixteen (16) copies of Application for General Water and Sewer Service Rate Increase in Orange County by Zellwood Station Co-Op, Inc. (2) a check for the required filing fee in the amount of \$3,500.00.

Sincerely,

Thomas A. Cloud, Esquire

RECEIVED & FILED

GRAY, HARRIS & ROBINSON, P.A.

FPSC BUREAU OF RECORDS

TAC:gcj

Enclosures

cc: Zellwood Board of Directors

Julian Coto

Gary Morse

Check received with filing and forwarded to Fiscal for deposit.
Fiscal to forward a copy of check to RAR with proof of deposit.

Initials of person who forwarded check:

JM

Petition + Exh. A
DOCUMENT NUMBER-DATE

10932 SEP-4 5

Testimony Vol I, MFR 2
DOCUMENT NUMBER-DATE

10933 SEP-4 5

Vol II, MFR 2
DOCUMENT NUMBER-DATE

10934 SEP-4 5

10935 SEP-4

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for Rate
Increase in Orange County
by Zellwood Station Co-Op, Inc.

Docket No. 010492-WS

**APPLICATION FOR GENERAL WATER AND SEWER
SERVICE RATE INCREASE IN ORANGE COUNTY
BY ZELLWOOD STATION CO-OP., INC.**

Zellwood Station Co-Op, Inc. (hereafter "Applicant"), pursuant to Section 367.081, Florida Statutes, and Fla. Admin. Code. Rule 25-30, files this application (the "Application") for general increase in water and sewer service charges for its water and sewer service customers in Orange County, Florida, and in support thereof states as follows:

1. The name and address of the applicant is:

Zellwood Station Co-Op, Inc.
2126 Spillman Drive
Zellwood, Florida 32798-9799

2. Applicant is a water and sewer utility regulated by the Commission pursuant to Chapter 367, Florida Statutes, and provides water and sewer services in Orange County pursuant to Certificates Nos. 602-W and 518-S. Applicant is a cooperative housing corporation organized under Chapter 719, Florida Statutes.

3. Applicant's rates were previously considered in Florida Public Service Commission ("Commission") Order No. PSC-98-1572-FOF-WS, issued on November 23, 1998, Docket No. 980307-WS. The Applicant is a Class B utility that currently provides water and wastewater service in Orange County to approximately 1700 customers in the area known as Zellwood Station adjacent to U.S. Highway 441 northwest of Apopka, Florida. Applicant's customers consist of member tenant-

DOCUMENT NUMBER-DATE

10932 SEP-48

FPSC-COMMISSION CLERK

shareholders of the Zellwood Station Co-Op, Inc., Banbury Village Condominium Association, Oak Grove Condominium Association, Citrus Ridge Condominium Association, and a small number of commercial and urban landscape irrigation customers. The utility systems used by Applicant to service its customers were constructed as part of the Zellwood Station development in 1975 and were acquired by Applicant in 1993 from the previous owner in the course of a bankruptcy proceeding. On March 2, 1998, Applicant filed an application to receive certificates of authority as an existing water and wastewater utility in order to continue to provide service in Orange County and to establish its initial rates and charges. In response to that application, the Banbury Village Condominium Association filed a protest against the issuance of the operating certificates and the initial rates and charges proposed by the Applicant. Since at that time there was inadequate information to enter into a full rate case to establish its rates and charges, Applicant and Banbury Village Association, Inc. entered into a Stipulated Agreement dated September 2, 1998 ("Stipulated Agreement"), and approved by the Commission in which the parties, among other things, stipulated to: (a) the Commission granting Applicant original certificates for water and wastewater service territory and (b) to Zellwood Station being granted initial monthly service rates for water and wastewater service. In return for the acceptance of its proposed initial rates, the Applicant agreed in the Stipulated Agreement that it would retain those initial rates for at least three years or until September 4, 2001, with the exception of any index rate increases. Further, Applicant agreed in the Stipulated Agreement that before September 4, 2001, it would initiate a rate case to establish new rates and charges, thereby providing an opportunity for all interested parties to

participate in that subsequent proceeding.

In accordance with the terms of the Stipulated Agreement, Applicant has now initiated a full rate case before the Commission pursuant to Section 367.081, Florida Statutes, and Fla. Admin. Code. Rule 25-30. This rate case has been initiated to request approval of rates and charges as established using the Commission rules and guidelines and reflecting certain costs associated with the proposed construction of facilities necessary to allow applicant to supply the Zellwood Station community with treated effluent from a Class I reliability wastewater treatment facility. Applicant has filed this Application in order to comply with the requirements of Commission Order No. PSC-98-1572-FOF-WS and the Stipulated Agreement.

4. A complete copy of this Application shall be available for inspection by the public while this Application is pending at Applicant's offices located at 2126 Spillman Drive, Zellwood, Florida 32798-9799, between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday.

5. Applicant will comply with the notice requirements of Fla. Admin. Code. Rule 25-22.0407, and as evidence thereof, has provided an affidavit to that effect from one of Applicant's officers, which affidavit is attached to this Application as Exhibit "A".

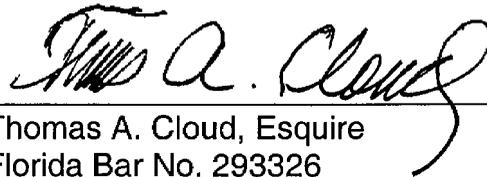
6. Applicant has elected not to file this Application using the proposed agency action (PAA) provision provided in Section 367.081(8), Florida Statutes.

7. Applicant is not aware of any deviation from the policies, procedures or guidelines prescribed by the Commission in any relevant rules or in the previous rate case.

8. In support of this Application and in accordance with Fla. Admin. Code. Rule 25-30, Applicant has provided herewith the following information:

- a. The direct testimony of Julian Coto of Excel Engineering relative to the proforma test year adjustments and engineering information, attached hereto as Exhibit "B".
- b. The direct testimony of Gary Morse relative to the rate design, attached hereto as Exhibit "B".
- c. The direct testimony of Charles K. Lewis, relative to rate design, attached hereto as Exhibit "B".
- d. Minimum Filing Requirements, Volumes I and II, attached hereto as Exhibit "C".

WHEREFORE, Applicant requests that the Commission approve the requested increase in rates for its water and sewer service.



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Attorneys for Zellwood Station Co-Op, Inc.

EXHIBIT "A"
AFFIDAVIT OF ROBERT J. HOWE

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for Rate
Increase in Orange County
by Zellwood Station Co-Op, Inc.

Docket No. 010492-WS

AFFIDAVIT OF ROBERT J. HOWE

STATE OF FLORIDA
COUNTY OF ORANGE

BEFORE ME, the undersigned notary public, personally appeared, Robert J. Howe, who, upon being duly sworn, deposes and says:

1. I am over the age of eighteen and competent to provide testimony as to all matters set forth herein.
2. I have personal knowledge of all matters set forth herein.
3. I am the president of Zellwood Co-Op, Inc.
4. Zellwood Station Co-Op, Inc. (hereafter "Applicant") has, pursuant to Section 367.081, Florida Statutes, and Chapter 25-30, Florida Administrative Code, filed an application with the Florida Public Service Commission (the "Application") for general increase in water and sewer service charges for its water and sewer service customers in Orange County, Florida.
5. Applicant will comply with all of the notification requirements set forth in FAC 25-22.0407 in support of the Application.

FURTHER AFFIANT SAYETH NOT.

Robert J. Howe

Robert J. Howe, President
Zellwood Station Co-Op, Inc.

STATE OF FLORIDA
COUNTY OF Orange

The foregoing instrument was acknowledged before me this 30th day of August, 2001, by Robert J. Howe, as President of Zellwood Station Co-Op, Inc..

Jane L. Mercer
Signature of Notary Public

NOTARY PUBLIC
STATE OF FLORIDA
Jane L. Mercer
My Commission DD008028
Expires May 27 2005

AFFIX NOTARY STAMP

JANE L. MERCER

(Print Notary Name)

My Commission Expires: _____

Commission

No.: _____

Personally known, or

Produced Identification

Type of Identification Produced
