COMMISSIONERS: LILA A. JABER, CHAIRMAN J. TERRY DEASON BRAULIO L. BAEZ MICHAEL A. PALECKI RUDOLPH "RUDY" BRADLEY



OFFICE OF THE GENERAL COUNSEL HAROLD A. MCLEAN GENERAL COUNSEL (850) 413-6199

Hublic Service Commission

September 17, 2002

F. Marshall Deterding, Esquire ROSE, SUNDSTROM & BENTLEY 2548 Blairstone Pines Drive Tallahassee, FL 32301

Re: Docket No. 010087-WS, Application of Sun Communities Finance, LLC d/b/a Water Oak Utility for approval of Reuse Project Plan and Increase for Wastewater Rates

Dear Mr. Deterding:

I am writing to inquire about the progress Sun Communities Finance, LLC d/b/a Water Oak Utility (Water Oak or utility) has made in pursuing its reuse project. Based on your April 15, 2002, letter to Troy Rendell, the utility expected to have contracts in place for construction of the reuse system no later than July 15, 2002, and construction completed and in service in April 2003.

In a November 21, 2002, recommendation, staff will address the utility's 2001 earnings level and whether it is feasible for Water Oak to pursue reuse. In order to enable staff to provide the Commission an update on steps the utility has taken toward this goal, please answer the following questions by October 15, 2002.

- 1. Has the utility requested bids on the reuse project? If so, from whom and for what activities?
- 2. Has the utility received proposals/bids on the reuse project? If so, from whom and for what activities?
- 3. Does the utility have contracts in place for construction of the reuse system? If so, from whom, for what activities and at what costs?
 - 4. Has construction begun on the reuse system?

PSC Website: http://www.floridapsc.com

- 5. If construction has not begun, when does the utility expect to begin construction?
- 6. What is the expected in service date of the reuse system?
- 7. What other activities has the utility undertaken in pursuit of its reuse system?

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8. When does the utility anticipate updating all cost areas and refiling its reuse plan with the Commission?

If you have any questions, please call Sam Merta at (850) 413-6427.

Sincerely,

Senior Attorney

RJ:sm

cc: Division of Commission Clerk and Administrative Services (010087-WS)
Division of Economic Regulation (Rendell, Fitch, Edwards, Merta)

Reading File