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Public Service Commission

November 28, 2011

F. Marshall Deterding
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, FL 32301

Re: Docket No. 110298-SU - Application for certificate to provide wastewater service in Volusia and Brevard Counties by Farmton Water Resources LLC

Dear Mr. Deterding:

The Florida Public Service Commission (Commission) staff has reviewed the above-referenced filing on behalf of Farmton Water Resources LLC (FWR or Utility) and determined that the following information is necessary to meet the requirements of Commission rules and to clarify the application.

Deficiencies

1. **Date of Service.** Pursuant to Rule 25-30.033(1)(g), Florida Administrative Code (F.A.C.), FWR's application must provide the date it plans to begin serving customers. Staff understands that the Utility must complete Commission certification and permitting and construction of facilities before it can provide service. Please confirm whether the dates provided in Table 5 of Exhibit 2 are the target dates on which the Utility intends to begin serving customers of the respective development phases.
2. **Utility Funding.** Rule 25-30.033(1)(s), F.A.C., requires that the application include financial statements of the entities upon which FWR is relying to provide funding to the Utility, as well as copies of any financial agreements between those entities and the Utility. Staff is in receipt of Farmton Management LLC's (Farmton Management) October 24, 2011 summary balance sheet and Miami Corporation's affidavit of financial commitment to FWR, which were submitted as Exhibit 3 of the application. Please provide a detailed balance sheet for Farmton Management that includes liabilities, as well as a detailed income statement for Farmton Management for the preceding calendar or fiscal year. If FWR is relying upon any other entity for funding, please identify and provide the same for each of those entities.

Additional Information

3. **Locations of Facilities.** According to page 4 of the application, a 99-year lease agreement between the property owner and the Utility will be executed after the Commission approves the Utility's application and the needed locations for wastewater facilities are determined. The application includes system maps that show the proposed service territory, as well as the proposed lines and treatment facilities for Water Reclamation Facility (WRF) No. 1. In addition, Figures 1

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and 2 of Exhibit 2 show the location of WRF No. 1. Please confirm whether the locations of only WRF No. 2 and WRF No. 3 have yet to be determined, as discussed on page 14 of Exhibit 2.

4. **Need for Service.** It is staff's understanding that the application has been filed in anticipation of need for service in the near future in Phases 1 through 5 of development of the Farnton property, and certification by the Commission is the first step required in order for the Utility to plan, permit, and construct wastewater facilities and provide wastewater service within the proposed service territory. However, page 1 of Exhibit 2 states that the Utility "now desires to provide wastewater service to its current and future customers." Please confirm whether "current customers" refers to those customers currently being served by FWR's water facilities, as described on page 3 of Exhibit 2.
5. **Flow per Unit.** Table 2 of Exhibit 2 indicates that the flow per square foot for general service connections is 0.15 GPD. Please describe how this figure was determined.
6. **Phase 1 ERCs.** Table 2 of Exhibit 2 indicates that Phase 1 development includes no residential connections (ERCs). Please confirm.
7. **Meter Size.** Please confirm that all general service connections will use meter size 5/8" x 3/4" as indicated in Table 2 of Exhibit 2.

To ensure timely processing of your application, the above-referenced statements and documents should be filed on or before December 30, 2011. Please ensure that your transmittal references Docket No. 110298-SU and that it is mailed directly to:

Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Should you have any questions concerning the above-referenced items, please feel free to contact Ms. Melissa Jones-Alexis, of my staff, by phone at (850) 413-6997 or mjonesal@psc.state.fl.us.

Sincerely,

Patti Daniel
by mkja

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

PD:mkja

cc: Division of Economic Regulation (Jones-Alexis)
Office of the General Counsel (Klancke)
Office of Commission Clerk (Docket No. 110298-SU)

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