

JULIA L. JOHNSON
CHAIRMAN



CAPITAL CIRCLE OFFICE CENTER
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0854
(850) 413-6044

Public Service Commission

May 13, 1998

Mr. Daniel W. Hartman
Oertel, Hoffman, Fernandez & Cole, P.A.
P.O. Box 1110
Tallahassee, Florida 32302-1110

Re: Docket No. 980644-SU, Application of Crooked Lake Park Sewerage Company, Inc. For Increased Wastewater Rates in Polk County - Test Year Approval

Dear Mr. Hartman:

We have received your letter dated May 1, 1998, requesting approval to use a projected test year ended December 31, 1999, utilizing an intermediate test year ended December 31, 1998 and a base year ended December 31, 1997. The letter also indicates that you wish to use the base year as a test year for interim rate purposes. Your test year request as outlined above is hereby approved. You should be aware that prefiled direct testimony must be filed with the minimum filing requirements if you do not elect to request the proposed agency action process.

You should also be aware that this utility is eligible for staff assistance pursuant to Section 367.0814, Florida Statutes. I understand that staff has already informed you that rate case expense will be an issue in this forthcoming case. You have also been made aware that rate case expense has been disallowed in prior cases when a utility filed minimum filing requirements when eligible for a staff assisted rate case.

For administrative purposes only, Docket No. 980644-SU has been assigned to the forthcoming case. Your petition will be deemed filed on the date that the Division of Records and Reporting receives the complete petition, revised tariff sheets, the minimum filing requirements, testimony (if not requesting Proposed Agency Action) and the filing fee. To minimize any regulatory lag that may occur, we request that you file the above no later than September 11, 1998. Because of the difficulty in scheduling hearing dates it is not anticipated that an extension of this filing date will be granted.

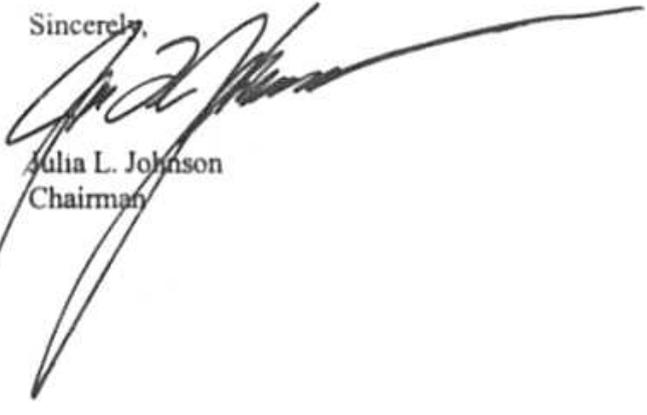
Under the file and suspend law, the time period for processing the request will begin on the date that all of the required data is completely filed. If not complete, the official filing date will be the date the complete corrections to the deficiencies are filed. The utility is instructed to file all information it wishes the Commission to consider when arriving at a decision on its rate case

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application with its original filing. Because of the time limitations contained in Section 367.081, Florida Statutes, and the lengthy auditing and investigation required, information not filed with the original application may not be considered. Lastly, the utility should be prepared to justify all increased operation and maintenance expenses, particularly those in excess of customer growth and inflation from five years prior to the historic test year.

Sincerely,



Julia L. Johnson
Chairman

JLJ/MWW

cc: Commissioners
Mr. Talbott
Dr. Bane
Blanca Bayo
Division of Records and Reporting
Division of Legal Services (Jaber)
Division of Water and Wastewater (Willis)
Jack Shreve, Office of Public Counsel