

ORIGINAL

MEMORANDUM

June 25, 1998

TO : DIVISION OF RECORDS AND REPORTING (BAYO)

FROM : DIVISION OF WATER AND WASTEWATER (REDEMANN) *REP BOMANN*

RE : DOCKET NO. 971621-WS; APPLICATION FOR AMENDMENT OF CERTIFICATE NOS. 355-W AND 311-S TO INCLUDE ADDITIONAL TERRITORY IN MARION COUNTY BY RAINBOW SPRINGS UTILITIES, L. C. *AS*

Enclosed please find a letter dated June 24, 1998 from Mr. F. Marshall Deterding to Mr. Richard Redemann, which should be placed in the docket file. This letter clarified the wastewater flow data.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- MIN _____
- OPC _____
- RCH _____
- SEC |
- WAS _____
- OTH _____

CC: Division of Water and Wastewater (Starling)
 Division of Legal Services (Jaeger)
 Division of Records and Reporting (Security File)

DOCUMENT NUMBER-DATE

05882 JUN 30 98

FPSC-RECORDS/REPORTING

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June 24, 1998

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RECEIVED

JUN 24 1998

Richard Redemann, P.E.
Division of Water and Wastewater
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Rainbow Springs Utilities, L.C.; Docket No. 971621-WS
Application for Amendment of Certificates
Our File No. 29030.02

Dear Richard:

After your inquiry concerning the discrepancy between the wastewater average daily flows reflected in the most recent rate case for Rainbow Springs and the average daily flows as reflected in the territory extension case Application, I have reviewed the previous Staff Recommendation and Final Order relative to the average daily flows outlined therein, and discussed the matter with management for the Utility. The conclusion we have reached is that the current average daily flow of approximately 69,000 gallons/month reported in the extension Application was based upon the most recent twelve months prior to the filing of that Application. The Annual Reports for 1996 and 1997 reflect average daily flows for approximately 72,000 to 73,000 gpd, slightly higher than the figure for the most recent twelve months prior to filing the extension case.

From my review of the information considered by the Commission in the rate case utilizing a test year ended December 31, 1995, the average daily flow during the max month is listed at 121,000 gpd for that test year. While this is significantly higher, it is also a max month. Certainly the Utility now incurs maximum daily flows well in excess of that amount, it still maintains an average daily flow on an annual basis of approximately 73,000 gpd.

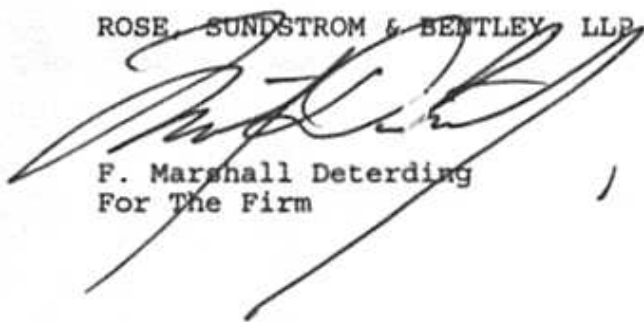
Richard Redemann, P.E.
June 24, 1998
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Based upon all of this, the discrepancy appears to be one of a comparison of max month average daily flow to annual average daily flow.

Should you have any further questions in this regard, please let me know.

Sincerely,

ROSE, SUNDBLUM & BENTLEY, LLP



F. Marshall Deterding
For The Firm

FMD/tmg

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