

STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.



DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
DIRECTOR
(850) 413-6900

Public Service Commission

April 22, 1999

Mr. John H. Lovelette
The Woodlands of Lake Placid, L.P.
1525 US Highway 27 S
Lake Placid, Florida 33852

Re: Docket No. 990374-WU: Application for certificate to operate a water utility in Highlands County by the Woodlands of Lake Placid, L.P.

Dear Mr. Lovelette:

Your application on behalf of The Woodlands of Lake Placid (Woodlands) for a certificate to operate a water utility was received by the Commission on March 23, 1999, and assigned the above referenced docket number and name. Staff has preliminarily reviewed the application for deficiencies as well as for items that need clarification or correction. These items are as follows:

Deficiencies:

1. Financial Ability. Pursuant to Rule 25-30.034(1)(d), Florida Administrative Code (F.A.C.), the applicant is to provide a statement regarding the financial ability of the applicant to continue to provide service. Exhibit E provided for this item is inadequate. A formal financial statement or balance sheet is needed to meet this requirement.
2. Rates and Charges. Pursuant to Rule 25-30.034(1)(g), F.A.C., the applicant is to provide a statement specifying on what date and under what authority the current rates and charges were established. Specific information needs to be provided on when and how the current owner established the current rates. Also, please provide cost justification for the level of late payment charge noted in your tariff, since this charge will be individually addressed by staff in the application recommendation.
3. Consistency with Local Comprehensive Plan. Pursuant to Rule 25-30.034(2)(b), F.A.C., the applicant is to provide a statement that, to the best of the applicant's knowledge, the provision of service in this territory will be consistent with the water and wastewater sections of the local comprehensive plan as approved by the Department of Community Affairs at the time the application is filed. Or, if not consistent, a statement demonstrating why granting

DOCUMENT NUMBER DATE

05377 APR 27 99

FPSC-RECORDS/REPORTING

Mr. John H. Lovelette

Page 2

April 22, 1999

the territory would be in the public interest. This issue was not addressed in your application.

4. Required Notices. None of the three required notices have yet been received. A current list of those who are to receive notice of actual application in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, F.A.C., is enclosed.

Clarifications or Corrections

1. In addition to the numbers and dates of any permits issued for the systems by the Department of Environmental Protection, which you have already submitted, please provide a copy of the Consumptive Use Permit issued to your utility.
2. The statement you provided explaining how and why the utility began providing service prior to obtaining a certificate of authorization is inadequate. Please provide a more detailed explanation on this issue.
3. The schedule provided showing the number of customers currently served and projected to be served when the requested territory is fully occupied (Exhibit C) needs more detail. Please revise the exhibit adding the meter size by class of service.
4. Please provide a statement concerning how long water service has been provided outside of the R.V. park known as Camp Florida Resort, which was the initial exempted territory.
5. Mr. Cozier, General Partner, had indicated that water and wastewater services were provided as a non specific charge in the lot rent of Camp Florida Resort. Also, Mr. Clifford Rhoades, attorney for The Woodlands, indicated that many of the R.V. sites within Camp Florida Resort had been sold for continuous occupancy by the owners. Mr. Rhoades further stated that the Camp Florida Resort Property Owners Association collects monthly fees from which water and wastewater fees are paid. However, you have provided information that indicates that the renters and owners in the R.V. park are charged separately for water and wastewater. Are those in the R.V. park charged separately for water and wastewater services?
6. Please provide a statement concerning who provides wastewater service to all of the commercial customers you serve and to those residences outside of Camp Florida Resort.
7. Please provide a statement demonstrating the need for expanding your water service into the proposed service expansion area.
8. Please provide a 3 1/2" disk with the water territory description and the Water Tariff in WordPerfect 6.1 or comparable format.
9. Pursuant to Rule 25-30.311, F.A.C., if a utility requires customers to pay deposits, interest shall be paid and the deposits must be refunded after 23 months unless delayed for cause as

Mr. John H. Lovelette

Page 3

April 22, 1999

stated in the rule's subsection (5). A copy of Rule 25-30.311, F.A.C., is enclosed for your information.

10. Pursuant to Rule 25-30.255, F.A.C., "each utility shall measure water sold under the basis of metered volume sales" unless an alternative is approved by the Commission. Your tariff indicated that Lake Ridge Estates and Hickory Hills are metered but charged a flat rate. The Commission will temporarily approve the flat rate charge, but will require that these developments be charged for water consumption based upon regular meter readings within the near future. Therefore, you must start tracking metered consumption and your costs for providing water service to these developments so you may submit an application to establish metered rates as required in the order granting your water certificate. The application is considered a tariff filing and will not require a filing fee.

Tariff Corrections

In general, all rate sheets (Sheet Nos. 12.0 through 17.0) should contain the words "Type of Filing" followed by "Original in Existence". The Effective Date on each of the rate sheets will be completed by staff upon approval of the tariff.

1. Original Sheet No. 2.0 - Due to omission of two sheets that must be added, the Index of Service Availability needs to be changed to sheet number 24.0 and the Index of Standard Forms needs to be changed to sheet number 19.0.
2. Original Sheet No. 4.0 - A list commercial customers by Development or Subdivision Name needs to be added. Under Proposed Development, please indicate if The Woodlands R.V. sites will be metered or nonmetered.
3. Original Sheet No. 5.0 - After the last technical term please add - (Continued to Sheet No. 5.1).
4. Original Sheet No. 6.0 - After the last technical term please add - (Continued to Sheet No. 6.1).
5. Original Sheet No. 8.0 - After the last technical term please add - (Continued to Sheet No. 9.0).
6. Original Sheet No. 11.0 - Please add "Customer Deposits" and add 15.0 under Sheet Number. Also add "Service Availability Fees and Charges" and add 18.0 under Sheet Number.
7. Original Sheet No. 12.0 Commercial Service - Does the Minimum Charge include any gallonage? If it does, please add that to information about rate. What is the meter size for commercial service? Do you have different rates based upon meter size?
8. Original Sheet No. 13.0 Residential Service - Please list the subdivisions this rate applies to.

Mr. John H. Lovelette

Page 4

April 22, 1999

9. Original Sheet No. 14.0 R.V. Residential Service - If R.V. residents are actually charged for sewer service the Application for Original Certificate for a Utility in Existence and Charging Rates will need to be revised to apply for wastewater certification.
10. Original Sheet No. 15.0 Customer Deposits - Please indicate the meter size per initial deposit.
11. Original Sheet No. 18.0 Index of Standard Forms - Please change the sheet number to 19.0 and all subsequent sheets must be renumbered to allow for Original Sheet No. 18.0 Service Availability Fees and Charges to be inserted. A copy of the model Service Availability Fees and Charges sheet is attached for your information. Please insert 18.0 with appropriate current charges for your utility.

The following comments are referring to the tariff sheet numbers prior to the renumbering required in item 11 above.

12. Original Sheet No. 19.0 Customer Deposit Receipt - Pursuant to Rule 25-30.311(2) A non-transferrable certificate of deposit shall be issued to each customer. Please provide a revised Sheet No. 19.0 displaying an appropriate receipt form.
13. Original Sheet No. 20.0 Application Form - The form offers the choice of requested service being water, wastewater or both. Please be more specific as to when wastewater service would be provided. Would an application for service be used for someone renting an R.V. space or paying utilities through a homeowner's association?
14. Original Sheet No. 21.0 Copy of Customer's Bill - The billing form indicates a late charge of the greater of \$5.00 or 1.5% of the unpaid balance. No mention of a late charge is made on Original Sheet No. 17.0 Miscellaneous Service Charges. Please add information about the late charge to Original Sheet No. 17.0.
15. Original Sheet No. 22.0 Service Availability Policy - Please change the sheet number to 24.0 to allow for Original Sheet No. 23.0 Index of Service Availability to be inserted. A copy of the model Index of Service Availability Sheet is attached for your information. Please insert 23.0 with appropriate current changes for your tariff.

The original and four copies of the response to the information requested in this letter should be filed with the Commission on or before **June 11, 1999**. When filing the response, please be sure to reference the docket and to direct the response to :

**Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

Mr. John H. Lovelette

Page 5

April 22, 1999

Should you have any questions concerning the information requested in this letter, please contact Stephanie Clapp, of my staff, at (850) 413-6997.

Sincerely,



John D. Williams
Chief, Bureau of Policy Development
and Industry Structure

JDW/SAC:sc

Enclosures

cc: Division of Water and Wastewater (Hill, Lowe, Messer, Clapp, Redemann)
Division of Legal Services (Crossman)
Division of Records and Reporting

NAME OF COMPANY _____
 WATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

<u>Description</u>	<u>Amount</u>	<u>Refer to Service Availability Policy Sheet No./Rule No.</u>
<u>Back-Flow Preventor Installation Fee</u>		
5/8" x 3/4"	\$	
1"	\$	
1 1/2"	\$	
2"	\$	
Over 2"	\$ ¹	
<u>Customer Connection (Tap-in) Charge</u>		
5/8" x 3/4" metered service	\$	
1" metered service	\$	
1 1/2" metered service	\$	
2" metered service	\$	
Over 2" metered service	\$ ¹	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability Charges:		
Residential-per ERC/month (__ GPD)	\$	
All others-per gallon/month	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month (__ GPD)	\$	
All others-per gallon/month	\$	
<u>Inspection Fee</u>	\$ ¹	
<u>Main Extension Charge</u>		
Residential-per ERC (__ GPD)	\$	
All others-per gallon	\$	
or		
Residential-per lot (__ foot frontage)	\$	
All others-per front foot	\$	
<u>Meter Installation Fee</u>		
5/8" x 3/4"	\$	
1"	\$	
1 1/2"	\$	
2"	\$	
Over 2"	\$ ¹	
<u>Plan Review Charge</u>	\$ ¹	
<u>Plant Capacity Charge</u>		
Residential-per ERC (__ GPD)	\$	
All others-per gallon	\$	
<u>System Capacity Charge</u>		
Residential-per ERC (__ GPD)	\$	
All others-per gallon	\$	

¹ Actual Cost is equal to the total cost incurred for services rendered.

EFFECTIVE DATE -
TYPE OF FILING -

 ISSUING OFFICER

 TITLE

NAME OF COMPANY _____

WATER TARIFF

INDEX OF SERVICE AVAILABILITY

<u>Description</u>	<u>Sheet Number</u>
Schedule of Fees and Charges	Go to Sheet No. 17.0
Service Availability Policy	24.0

ISSUING OFFICER

TITLE

NAME OF COMPANY _____

WATER TARIFF

CUSTOMER DEPOSITS

ESTABLISHMENT OF CREDIT - Before rendering water service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	_____	_____
1"	_____	_____
1 1/2"	_____	_____
Over 2"	_____	_____

ADDITIONAL DEPOSIT - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rules 25-30.311(4) and (4a). The Company will pay or credit accrued interest to the Customers account during the month of _____ each year.

REFUND OF DEPOSIT - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rules 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING -

ISSUING OFFICER

TITLE

25-30.311 Customer Deposits.

(1) Deposit required; establishment of credit.-- Each company's tariff shall contain their specific criteria for determining the amount of initial deposit. Each utility may require an applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the customer from complying with utilities' rules for prompt payment of bills. Credit will be deemed so established if:

(a) The applicant for service furnishes a satisfactory guarantor to secure payment of bills for the service requested. A satisfactory guarantor shall, at a minimum, be a customer of the utility with a satisfactory payment record. A guarantor's liability shall be terminated when a residential customer whose payment of bills is secured by the guarantor meets the requirements of subsection (5) of this rule. Guarantors providing security for payment of residential customers' bills shall only be liable for bills contracted at the service address contained in the contract of guaranty.

(b) The applicant pays a cash deposit.

(c) The applicant for service furnishes an irrevocable letter of credit from a bank or a surety bond.

(2) Receipt for deposit. -- A non-transferable certificate of deposit shall be issued to each customer and means provided so that the customer may claim the deposit if the certificate is lost.

(3) Record of deposits. -- Each utility having on hand deposits from customers shall keep records to show:

(a) The name of each customer making the deposit;

(b) The premises occupied by the customer when the deposit was made;

(c) The date and amount of deposit; and

(d) A record of each transaction concerning such deposit.

(4) Interest on deposit.

(a) Each public utility which requires deposits to be made by its customers shall pay a minimum interest on such deposits of 6 percent per annum. The utility shall pay an interest rate of 7 percent per annum on deposits of nonresidential customers qualifying under subsection (5) below when the utility elects not to refund such a deposit after 23 months.

(b) The deposit interest shall be simple interest in all cases and settlement shall be made annually, either in cash or by credit on the current bill. This does not prohibit any public utility paying a higher rate of interest than required by this rule. No customer depositor shall be entitled to receive interest on his deposit until and unless a customer relationship and the deposit have been in existence for a continuous period of six months, then he shall be entitled to receive interest from the day of the commencement of the customer relationship and the placement of deposit.

(5) Refund of deposits. -- After a customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the utility shall refund the residential customer's deposits and shall, at its option, either refund or pay the higher rate of interest specified above for nonresidential deposits, providing the customer has not, in the preceding 12 months, (a) made more than one late payment of a bill (after the expiration of 20 days from the date of mailing or delivery by the utility), (b) paid with check refused by a bank, (c) been disconnected for nonpayment, or at any time, (d) tampered with the meter, or (e) used service in a fraudulent or

unauthorized manner. Nothing in this rule shall prohibit the company from refunding at any time a deposit with any accrued interest.

(6) Refund of deposit when service is discontinued. -- Upon termination of service, the deposit and accrued interest may be credited against the final account and the balance, if any, shall be returned promptly to the customer but in no event later than fifteen (15) days after service is discontinued.

(7) New or additional deposits. -- A utility may require, upon reasonable written notice of not less than 30 days, such request or notice being separate and apart from any bill for service, a new deposit, where previously waived or returned, or an additional deposit, in order to secure payment of current bills; provided, however, that the total amount of the required deposit shall not exceed an amount equal to the average actual charge for water and/or wastewater service for two billing periods for the 12 month period immediately prior to the date of notice. In the event the customer has had service less than 12 months, then the utility shall base its new or additional deposit upon the average monthly billing available.

Specific Authority 367.121, 350.127(2) FS.

Law Implemented 367.081, 367.111, 367.121 FS.

History--Amended 6-1-63, 4-1-69, 9-12-74, 6-10-80, 1-31-84, Formerly 25-10.72, 25-10.072, Amended 10-13-88, 4-25-94.

LIST OF WATER AND WASTEWATER UTILITIES IN HIGHLANDS COUNTY

(VALID FOR 60 DAYS)
04/21/1999-06/19/1999

UTILITY NAME

MANAGER

HIGHLANDS COUNTY

BUTTONWOOD BAY UTILITIES, INC. (WS387)
3000 TANGLEWOOD PARKWAY
SEBRING, FL 33872

JOHN GREYTAK
(941) 655-1122

C & H UTILITIES, INC. (SU526)
P. O. BOX 1088
SEBRING, FL 33871-1088

WENDELL L. FAIRCLOTH
(941) 471-1400

C & H UTILITIES, INC. (WU649)
P. O. BOX 1088
SEBRING, FL 33871-1088

WENDELL L. FAIRCLOTH
(941) 471-1400

COUNTRY CLUB OF SEBRING (WS654)
4800 HAW BRANCH ROAD
SEBRING, FL 33872-4706

R. GREG HARRIS
(941) 382-8538

CREOLA, INC. (SU658)
P. O. BOX 1346
SEBRING, FL 33871-1346

DAVID L. HICKMAN
(941) 385-0981

CRYSTAL LAKE CLUB (WS636)
% CLAYTON, SHERWOOD, WILLIAMS
2500 MAITLAND CENTER PARKWAY, STE. 105
MAITLAND, FL 32751-4165

JOE SHERWOOD
(407) 660-0050

DAMON UTILITIES, INC. (WS551)
47 LAKE DAMON DRIVE
AVON PARK, FL 33825-8902

LISA DAVIS
(941) 453-0773

FAIRMOUNT UTILITIES, THE 2ND, INC. (SU648)
P. O. BOX 388
AVON PARK, FL 33826-0488

ROGER E. MILLER
(941) 385-8542

FLORIDA WATER SERVICES CORPORATION (WS618)
P. O. BOX 609520
ORLANDO, FL 32860-9520

BRIAN P. ARMSTRONG
(407) 880-0058

HARDER HALL - HOWARD, INC. (SU644)
122 EAST LAKE DRIVE BLVD.
SEBRING, FL 33872-5018

PAUL E. HOWARD
(941) 382-8725

LIST OF WATER AND WASTEWATER UTILITIES IN HIGHLANDS COUNTY

(VALID FOR 60 DAYS)
04/21/1999-06/19/1999

UTILITY NAME

MANAGER

HIGHLANDS COUNTY (continued)

HEARTLAND UTILITIES, INC. (WU566) P. O. BOX 1991 SEBRING, FL 33871-1991	HOWARD SHORT (941) 655-4300
HIGHLANDS RIDGE ASSOCIATES, INC. (WS672) 3003 EAST FAIRWAY VISTA DRIVE AVON PARK, FL 33825-6001	NANCY DICKEY (941) 471-1117
HIGHLANDS UTILITIES CORPORATION (SU299) 1511 U.S. HIGHWAY 27 SOUTH LAKE PLACID, FL 33852-8980	DIXON PUGH (941) 465-1296
HOLMES UTILITIES, INC. (WU760) 760 HENSCRATCH ROAD LAKE PLACID, FL 33852-8397	DANIEL HOLMES (941) 465-6044 OR -6911
LAKE JOSEPHINE WATER (WU349) 760 HENSCRATCH ROAD LAKE PLACID, FL 33852-8397	DARALD E. PUGH (941) 465-2916
LAKE PLACID UTILITIES, INC. (WS709) % UTILITIES, INC. 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4099	DONALD RASMUSSEN (407) 869-1919
LANDMARK ENTERPRISES, INC. (SU686) 62 LAKE HENRY DRIVE LAKE PLACID, FL 33852-6000	DAVID S. PLANK (941) 382-3030
PLACID LAKES UTILITIES, INC. (WU193) 2000 JEFFERSON AVENUE, NORTH LAKE PLACID, FL 33852-9749	ROLAND TOBLER (941) 465-0345
SEBRING RIDGE UTILITIES, INC. (WS345) 3625 VALERIE BLVD. SEBRING, FL 33870-7814	CHRISTOPHER F. MILLER (941) 385-8542

LIST OF WATER AND WASTEWATER UTILITIES IN HIGHLANDS COUNTY

(VALID FOR 60 DAYS)
04/21/1999-06/19/1999

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CENTRAL FL. REGIONAL PLANNING COUNCIL
P.O. BOX 2089
BARTOW, FL 33831

CLERK, BOARD OF COUNTY COMMISSIONERS, HIGHLANDS COUNTY
430 SOUTH COMMERCE AVENUE
SEBRING, FL 33870-3701

DEP SOUTH DISTRICT
2295 VICTORIA AVE., SUITE 364
FORT MYERS, FL 33901

MAYOR, CITY OF AVON PARK
110 EAST MAIN STREET
AVON PARK, FL 33825-3945

MAYOR, CITY OF SEBRING
368 SOUTH COMMERCE AVENUE
SEBRING, FL 33870-3606

MAYOR, TOWN OF LAKE PLACID
50 PARK DRIVE
LAKE PLACID, FL 33852-9693

S.W. FLORIDA WATER MANAGEMENT DISTRICT
2379 BROAD STREET
BROOKSVILLE, FL 34609-6899

SO. FLORIDA WATER MANAGEMENT DISTRICT
P.O. BOX 24680
WEST PALM BEACH, FL 33416-4680

LIST OF WATER AND WASTEWATER UTILITIES IN HIGHLANDS COUNTY

(VALID FOR 60 DAYS)
04/21/1999-06/19/1999

UTILITY NAME

MANAGER

STATE OFFICIALS

STATE OF FLORIDA PUBLIC COUNSEL
C/O THE HOUSE OF REPRESENTATIVES
THE CAPITOL
TALLAHASSEE, FL 32399-1300

DIVISION OF RECORDS AND REPORTING
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850