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STATE OF FLORIDA



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Public Service Commission

May 20, 2009

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COMMISSION
CLERK

Mary Smallwood
Ruden, McClosky, Smith, Schuster & Russell, P.A.
215 South Monroe Street, Suite 815
Tallahassee, FL 32301

Re: Docket No. 080715 -WU – Application for staff-assisted rate case in Lake County by CWS Communities LP

Dear Ms. Smallwood:

This will confirm that Commission Staff will hold a customer meeting at the Haselton Village Club House on June 17, 2009, beginning at 6:00 p.m. The customer meeting may be adjourned early if no customers are present. We ask that, if at all possible, you or another knowledgeable representative of the Utility attend the meeting in order to answer customer questions. The location of the meeting will be the:

Haselton Village Club House
14 Coral Street
Eustis, FL 32726210

The original customer meeting notice is enclosed. Please note the date has been left blank so that you can fill in the date that the notice is sent to the customers. All customers, including the customers of CWS Communities LP, must have at least 14 calendar days' notice of the meeting, calculated from the day that they receive the notice as required by Rule 25-22.0407(9)(b), Florida Administrative Code (F.A.C.). Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

Two copies of the staff report are also enclosed. Please ensure that a copy of the completed Application for Staff Assistance and the staff report are available for review pursuant to Rule 25-22.0407 (9)(b), F.A.C., by all interested persons at the following location:

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Haselton Village Club House
14 Coral Street
Eustis, FL 32726210

For your convenience, I have also enclosed a copy of Rule 25-22.0407(9), F.A.C.

Should you have any questions about any of the matters contained herein, please do not hesitate to contact me at (850) 413-6234. In addition, you may contact Jared Deason at (850) 413-6844, with any questions.

Sincerely,



Ralph Jaeger
Senior Attorney

Enclosures

RJ:jd

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Deason, Jaeger)
Office of Commission Clerk (Docket No. 080715-WU)
Office of Public Counsel

Rule 25-22.0407(9), Florida Administrative Code

(9) When a utility applies for a staff-assisted rate case in accordance with Section 367.0814, Florida Statutes, and Rule 25-30.455, F.A.C., and staff-assistance is granted, the requirements of subsections (2), (3), (4), and (5) of this rule shall not apply.

(a) Upon receipt of the staff reports, the utility shall place two copies of its application for staff-assistance and the staff reports at any business offices it has in its service area. Such copies shall be available for public inspection during the utility's regular business hours. If the utility does not have a business office in its service area, the utility shall place two copies of its application and the staff reports at the main county library, the local community center or other appropriate location that is within or most convenient to the service area and that is willing to accept and provide public access to the copies.

(b) No less than 14 days and no more than 30 days prior to the date of a customer meeting conducted by the Commission staff, the utility shall provide, in writing, a customer meeting notice to all customers within its service area and to all persons in the same service areas who have filed a written request for service or who have been provided a written estimate for service within the 12 calendar months prior to the month the petition is filed.

(c) The customer meeting notice shall be approved by the Commission staff prior to distribution and shall include the following:

1. The date the notice was issued;
2. The time, date, location, and purpose of the customer meeting;
3. A statement that the utility has applied for a staff-assisted rate case and the general reasons for doing so;
4. A statement of the location where copies of the application and the staff reports are available for public inspection and the times during which inspection may be made;
5. A comparison of current rates and charges and the proposed new rates and charges;
6. The utility's address, telephone number, and business hours;
7. A statement that written comments regarding utility service or the proposed rates and charges should be addressed to the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870, and that such comments should identify the docket number assigned to the proceeding;
8. A statement that complaints regarding service may be made to the Commission's Division of Consumer Affairs at the following toll-free number: 1(800)342-3552.
9. A statement that the Commission will be reviewing the utility's service availability charges in the pending case and that the Commission may adjust those charges.
10. The docket number assigned by the Commission's Division of the Commission Clerk and Administrative Services.

(d) The customer meeting notice shall be mailed to the out-of-town address of all customers who have provided the utility with an out-of-town address.

(e) If the proposed agency action order issued in the case is protested and any hearings are subsequently held, the utility shall give notice in accordance with subsections (6) and (7) above.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF CWS COMMUNITIES LP

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 080715-WU

APPLICATION OF CWS COMMUNITIES LP

FOR A STAFF-ASSISTED RATE CASE IN

LAKE COUNTY

Issued: June ____, 2009

Notice is hereby given that the staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of CWS Communities LP (CWS or Utility) for a staff-assisted rate case in Lake County. The meeting will be held at the following time and place:

6:00 p.m., Wednesday, June 17, 2009
Haselton Village Club House
14 Coral Street
Eustis, FL 32726

All persons who wish to comment are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present. One or more of the Commissioners of the Florida Public Service Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all the customers have been heard.

If a named storm or other disaster requires cancellation of the meeting, Commission staff will attempt to give timely direct notice to the parties. Notice of cancellation of the meeting will also be provided on the Commission's website (<http://www.psc.state.fl.us/>) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Office of the General Counsel at (850) 413-6199.

Any person requiring some accommodation at the customer meeting(s) because of a physical impairment should call the Office of Commission Clerk at (850)413-6770 at least five calendar days prior to the meeting(s). Any person who is hearing or speech impaired should

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contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

PURPOSE

The purpose of this meeting is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission Staff regarding the quality of service the Utility provides, the proposed rate increase, and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will summarize the Utility's proposed filing, the preliminary work accomplished, and answer questions to the extent possible. A representative from the Utility has also been invited to respond to questions.

At the beginning of the meeting, procedures will be established for the order of comments. The Public Service Commission staff will have sign-up sheets, and customers will be called to speak in the order that they sign-up. Public Service Commission staff will be available to coordinate customers' comments and to assist members of the public.

Any person who wishes to comment or provide information to staff may do so at the meetings, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Public Service Commission's toll-free facsimile line at 1-800-511-0809.

BACKGROUND

CWS Communities LP is a Class C water utility located in Lake County serving approximately 271 water customers in Haselton Village Mobile Home Park. CWS is located in the St. Johns River Water Management District (SJRWMD). The Utility's 2008 annual report reflects operating water revenues of \$21,655 and an operating loss of (\$9,306).

CWS began operations in 1973. On July 11, 1988, CWS applied for a certificate to operate a water utility in Lake County. Certificate No. 518-W was granted to CWS in 1989. On December 12, 2008, CWS applied for a staff-assisted rate case (SARC). The Utility has not previously been subject to a rate case.

Staff has audited the CWS' records for compliance with Commission rules and orders, and examined all components necessary for rate setting. The staff engineer has also conducted a field investigation, which included a visual inspection of the water and wastewater facilities along with the service area. The Utility's operating expenses, maps, files, and rate application were also reviewed to determine reasonableness of maintenance expenses, regulatory compliance, CWS' plant in service, and quality of service. Staff has selected a historical test year ended December 31, 2008.

CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. These rates are preliminary and subject to change based on information

gathered at the customer meeting, further staff review, and the final decision by the Commissioners. The Utility's current and staff's preliminary rates and charges are as follows:

MONTHLY WATER RATES

<u>RESIDENTIAL AND GENERAL SERVICE BASE FACILITY CHARGE:</u>	<u>EXISTING RATES*</u>	<u>PRELIMINARY RECOMMENDED RATES</u>
<u>Flat Rate:</u>		
Occupied	\$7.59	\$12.09
Unoccupied	\$3.25	\$12.09

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated May 18, 2009. Copies of the report and the Utility's application may be examined by interested members of the public from 8:00 a.m. to 4:00 p.m., Monday through Friday, at the following location:

Haselton Village Club House
14 Coral Street
Eustis, FL 32726

UTILITY CONTACT INFORMATION

CWS Communities LP
14 Coral Street
Eustis, FL 32726
(352) 589-1190
8:00 a.m. to 5:00 p.m.

PROCEDURES AFTER CUSTOMER MEETINGS

After the meeting, the Public Service Commission staff will prepare a recommendation which is scheduled to be filed with the Public Service Commission on August 6, 2009. The Public Service Commission will then vote on staff's recommendation at its August 18, 2009 agenda conference. The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's final recommendation. Substantially affected persons have 21 days from the date the PAA order is issued to file a protest to the order. Five to ten customers or persons who attend the meeting and who wish to receive a copy of the recommendation and the order should so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by requesting in writing to the Commission at the address at the end of this notice.

HOW TO CONTACT THE COMMISSION

Written comments regarding the Utility and the proposed rates, and requests to be placed on the mailing list for this case, may be directed to this address:

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

All correspondence should refer to "Docket No. 080715-WU, CWS Communities LP".

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Regulatory Compliance and Consumer Assistance at the following toll-free number: 1-800-342-3552.

This notice was prepared by Commission staff for distribution by the Utility to its customers.

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: May 20, 2009

TO: Cheryl Bulecza-Banks, Bureau Chief, Bureau of Rate Filings

FROM: Jared Deason, Regulatory Analyst IV *JD*
Stan Rieger, Utilities System/Engineering Specialist
Sonica Bruce, Regulatory Analyst III *SB*

RE: Docket No. 080715-WU – Application for staff-assisted rate case in Lake County
by CWS Communities LP

– STAFF REPORT –

This Staff Report is preliminary in nature. The Commission staff's final recommendation will not be filed until after the customer meeting.

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Case Background

This Staff Report is a **preliminary** analysis of the Utility prepared by the Florida Public Service Commission (PSC) staff to give Utility customers and the Utility an advanced look at what staff may be proposing. The final recommendation to the Commission (currently scheduled to be filed August 6, 2009 for the August 18, 2009, Agenda Conference) will be revised as necessary using updated information and results of customer quality of service or other relevant comments received at the customer meeting.

CWS Communities LP (CWS or Utility) is a Class C water utility located in Lake County serving approximately 271 water customers in Haselton Village Mobile Home Park. CWS is located in the St. Johns River Water Management District (SJRWMD). The Utility's 2008 annual report reflects operating revenues of \$23,691 and an operating loss of (\$9,316).

CWS has been under Commission jurisdiction since June 6, 1989. The Utility began operations in 1973. On July 11, 1988, CWS applied for original certificates to operate a water and wastewater utility in Lake County. Certificates No 518-W and 451-S were granted to CWS in 1989.¹ Prior to that time, the Utility provided water and wastewater service solely to the rental community tenants as a part of the rent, and was therefore exempt from Commission regulation pursuant to Section 367,022(5), Florida Statutes (F.S.). After the wastewater system was interconnected with the city of Eustis, the Utility was found to be an exempt wastewater reseller, and Certificate No. 451-S was cancelled in 1996.² On December 19, 2008, CWS applied for a staff-assisted rate case (SARC). The Utility has not previously filed a request for a rate case.

Staff has audited the Utility's records for compliance with Commission rules and orders, and examined all components necessary for rate setting. A staff engineer has also conducted a field investigation, which included a visual inspection of the water facilities along with the service area. The Utility's operating expenses, maps, files, and rate application were also reviewed to determine reasonableness of maintenance expenses, regulatory compliance, plant in service, and quality of service. Staff has selected a historical test year ended December 31, 2008.

The Commission has the authority to consider this rate case pursuant to Section 367.0814, F.S.

¹ Certificate No. 518-W was granted by Order No. 21342, issued June 6, 1989, in Docket No. 880936-WS, In Re: Application of Century Realty Funds, Inc. and Haselton Associates, Ltd. D/b/a Route 19A North Joint Venture for water and sewer certificates in Lake County, Florida.

² Certificate cancelled pursuant to Order No. PSC-1470-FOF-SU, issued December 3, 1996 in Docket No. 961146-SU, In Re: Request for change in regulatory status and cancellation of Certificate No. 451-S in Lake County by Route 19A North Joint Venture (Century Realty Funds/Haselton Associates).

Discussion of Issues

Issue 1: Is the quality of service provided by CWS Communities LP is satisfactory?

Preliminary Recommendation: The overall quality of service provided by CWS Communities LP can not be fully determined until after the June 17, 2009 customer meeting. (Rieger)

Staff Analysis: Pursuant to Rule 25-30.433(1), Florida Administrative Code (F.A.C), the Commission determines the overall quality of service provided by a utility by evaluating three separate components of water operations, including the quality of the utility's product, the operating condition of the utility's plants and facilities, and the utility's attempt to address customer satisfaction. Comments or complaints received by the Commission from customers are reviewed. The utility's current compliance with the Department of Environmental Protection (DEP) is also considered.

In Lake County, the water programs are regulated by the DEP Central District Office. CWS is current in all of the required chemical analyses, and the Utility has met all required standards. The quality of drinking water delivered to the customers is considered to be satisfactory by the DEP. A field investigation of CWS was conducted on February 17, 2009. Staff found no apparent problems with the operations of the water treatment facility. The condition of this facility is currently in compliance with DEP rules and regulations. Based on review of the maintenance records and a physical inspection, the general condition of the facilities appeared to be adequate. Therefore, staff believes that the operating condition of the Utility's water plant is satisfactory.

There are no outstanding complaints on the Commission's Complaint Tracking System. The staff recommendation regarding customer satisfaction and the overall quality of service will not be finalized until after the June 17, 2009 customer meeting.

Issue 2: What are the used and useful percentages of the Utility's water system?

Preliminary Recommendation: The treatment plant and distribution system should be considered 100 percent used and useful. (Rieger)

Staff Analysis: The Utility serves 290 customers. The water treatment system has two wells rated at 500 gallons per minute (gpm) and 280 gpm. Raw water is treated with liquid chlorine for disinfection purposes. This facility has no storage capacity. There are ten fire hydrants located throughout the service area. There has been no prior rate case for this utility; therefore, used and useful has been not been previously established by the Commission. Information on the volume of water sold to customers is unavailable because there are no customer meters within the service area. Pursuant to Rule 25-30.4325, F.A.C., with only two lots remaining and no apparent potential for expansion, staff believes that the service territory the treatment plant and distribution system is designed to serve is built out.. Therefore, it is recommended that the treatment plant and distribution system be considered 100 percent used and useful.

Issue 3: Should the 2009 proforma adjustment for meter installations be included?

Recommendation: Yes, the 2009 proforma adjustment for meter installations should be included in the Utility's rate base. (Bruce, Deason, Reiger)

Staff Analysis: On July 23, 2007, the SJRWMD issued a five year consumptive use permit (CUP) which required CWS to submeter only the clubhouse, office, pool, and the laundry facilities within two years of the permit issuance to allow the SJRWMD staff to conduct a water audit of the system. To date, the Utility has not installed the meters as required by its CUP. Staff has contacted the Utility regarding the meter installations. So far, CWS has obtained bids to install the meters, but the installations of the meters have yet to be completed. The Utility has assured staff that the meter installations will be completed as required by its CUP. Based on the bids supplied by the Utility, staff recommends a pro forma adjustment of \$900 (\$225 X 4 meters).

Issue 4: What is the appropriate average test year rate base for the Utility?

Preliminary Recommendation: The appropriate average test year water rate base for the Utility is \$33,004. (Deason)

Staff Analysis: Staff selected a test year ending December 31, 2008 for this rate case. Rate base components have been updated through December 31, 2008 using information obtained from staff's audit and engineering reports. A summary of each component and the adjustments follows.

Utility Plant in Service (UPIS): The Utility recorded \$256,066 for UPIS for the test year ending December 31, 2008. CWS was able to provide an original cost study to substantiate its 2008 plant balances. As stated in the case background, the Utility has never had a rate case or had rate base established by this Commission since becoming jurisdictional. The staff engineer has verified that the original cost study is accurate and reflects the appropriate amount of plant in service for the test year ended December 31, 2008.

As discussed in Issue 3, CWS currently does not have meters at each customer's residence and therefore, has a flat rate structure. The Utility, as required by its SJRWMD permit, intends to install meters for each of its general service customers. Staff has determined that the cost will be \$900. Staff has increased UPIS account Nos. 334 by \$900 to reflect the addition of pro forma meter installations. Therefore, the appropriate amount of test year plant in service is \$256,966.

Land & Land Rights: The Utility's records reflect balances of \$2,500 in Acct No. 303 – Land and Land Rights as of December 31, 2008. The National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA), Balance Sheet Acct. Nos. 303 – Land and Land Rights, states that the cost of land should be recorded at its original cost when it was first dedicated to utility service. Staff has verified the cost of the land has been recorded at its original cost; therefore, an adjustment is unnecessary for Acct No. 303 – Land and Land Rights

Non-used and Useful Plant: As discussed in Issue 2 of this recommendation, the Utility's water treatment plant should be considered 100 percent used and useful. Therefore, a used and useful adjustment is unnecessary.

Contribution in Aid of Construction (CIAC): The Utility recorded CIAC of \$0 for the test year ended December 31, 2008. As discussed previously, CWS has never been subject to a rate case and therefore, rate base has never been established. Pursuant to Audit Finding No. 2, the Commission audit relating the Utility's transfer of majority organizational control in Docket No. 030998-WS, dated April 5, 2004 recommended CIAC of \$93,925. A review of the CWS' records indicated that no new customers have been added since that time. Therefore, CIAC should be increased by \$93,925.

Accumulated Depreciation: The Utility recorded a balance for accumulated depreciation of \$178,300 for the test year ended December 31, 2008. Staff has calculated accumulated depreciation using the prescribed rates set forth in Rule 25-30.140, F.A.C. As a result, staff has increased this account by \$502 to reflect depreciation calculated per staff. Staff has also

decreased accumulated depreciation by \$3,487, to reflect an averaging adjustment. Additionally, as discussed in Issue 3, staff increased accumulated depreciation by \$45 to reflect the accumulated depreciation for the pro forma meter installations. These adjustment results in average accumulated depreciation of \$175,359.

Accumulated Amortization of CIAC: CWS recorded accumulated amortization of CIAC of \$0 for the test year ending December 31, 2008. Staff calculated amortization of CIAC using composite rates prescribed in Rule 25-30.140, F.A.C. for the CIAC. Based on this calculation, staff increased accumulated amortization of CIAC by \$39,397. Staff has also decreased accumulated amortization of CIAC by \$640, to reflect an averaging adjustment. These adjustment results in total accumulated amortization of CIAC of \$38,757.

Working Capital Allowance: Working capital is defined as the investor-supplied funds necessary to meet operating expenses or going-concern requirements of the utility. Consistent with Rule 25-30.433(2), F.A.C., staff used the one-eighth of the Operation & Maintenance (O&M) expense formula approach for calculating working capital allowance. Applying this formula, staff recommends a working capital allowance of \$4,065 based on O&M of \$32,522. Working capital has been increased by \$4,065 to reflect one-eighth of staff's recommended O&M expenses.

Rate Base Summary: Based on the forgoing, staff recommends that the appropriate test year average water rate base is \$33,004. Rate base is shown on Schedule No. 1-A, and staff's adjustments are shown on Schedule 1-B.

Issue 5: What is the appropriate rate of return on equity and overall rate of return for this Utility?

Preliminary Recommendation: The appropriate return on equity is 12.36 percent with a range of 11.36 percent-13.36 percent. The appropriate overall rate of return is 8.42 percent. (Deason)

Staff Analysis: According to staff's audit, CWS recorded the following items in its capital structure: common equity of \$1,292,779,443; negative retained earnings of \$0; and, paid-in-capital of \$0. The Utility's capital structure consists of long term debt in the amount of \$1,753,785,919. Using the most recent Commission-approved leverage formula³ and with an equity ratio of 42.43 percent, the appropriate return on equity (ROE) is 12.36 percent. CWS' capital structure has been reconciled with staff's recommended rate base. Staff recommends an ROE of 12.36 percent with a range of 11.36 percent-13.36 percent, and an overall rate of return of 8.42 percent. The ROE and overall rate of return are shown on Schedule No. 2.

³ See Order No. PSC-08-0846-PAA-WS, issued December 31, 2008, in Docket No. 080006-WS, In Re: Water and Wastewater Industry Annual Reestablishment of Authorized Range of Return on Common Equity for Water and Wastewater Utilities Pursuant to Section 367.081(4)(f), Florida Statutes.

Issue 6: What is the appropriate amount of test year revenues in this case?

Preliminary Recommendation: The appropriate amount of test year revenues in this case is \$26,413. (Deason)

Staff Analysis: CWS reported test year revenues of \$18,814. However, staff determined that the Utility failed to bill several customers, thereby understating revenues. Based on detailed billing information obtained from CWS, staff recalculated test year revenues. Staff recommends revenue imputations of \$7,599. Based on the foregoing, staff recommends that the appropriate amount of test year revenues in this case are \$26,413.

Issue 7: What are the appropriate operating expense?

Preliminary Recommendation: The appropriate amount of operating expense for the Utility is \$38,543. (Deason)

Staff Analysis: The Utility recorded operating expenses of \$27,636 during the test year ended December 31, 2008. The test year O&M expenses have been reviewed and invoices, canceled checks, and other supporting documentation have been examined. Staff made several adjustments to the Utility's operating expenses, as summarized below:

Salaries and Wages – Employees – (601) – CWS recorded a balance of \$11,504 in Account No. 601 for the test year. The Utility manager's monthly salary of \$1,141 is recorded each month in the general ledger. For the months of January and February 2008, no amount was recorded. To properly recognize 12 months of salary, an additional amount of \$2,282 ($\$1,142 \times 2$) should be recorded. No corresponding adjustment to payroll taxes is not required because CWS included payroll taxes for the twelve months in the general ledger. Staff recommends salaries and wages expense for the test year of \$13,786 ($\$11,504 + \$2,282$) for Acct. No. 601.

Purchased Power – (615) – The Utility recorded a balance of \$0 in Account No. 615 for the test year. The water plant has its own separate electric power meter but no amount was recorded in the general ledger for purchased power. The audit staff reviewed the purchased power invoices for 2008 and determined the amount to be \$2,715. Staff recommends purchased power expense for the test year of \$2,715 for Acct. No. 615.

Fuel for Power Production – (616) – CWS recorded a balance of \$0 in Account No. 616 for the test year. An emergency generator is located at the water plant. In 2008, no fuel amount for the generator was included in the general ledger. The audit staff reviewed the fuel invoices for the generator and determined the amount to be \$980 for 2008. Staff recommends fuel for power production expense for the test year of \$980 for Acct. No. 616.

Chemicals – (618) – The Utility recorded a balance of \$2,821 in Account No. 618 for the test year. The amount of \$585 was a duplication recorded in Account No. 618–Chemicals and Account No. 636–Contractual Services–Other. Per the invoice, the \$585 was for the monthly maintenance of the water plant. The amount should be recorded to Account No. 636–Contractual Services–Other and removed from Account No. 618–Chemicals. Additionally, Customer Controls and Pumps, Inc. provides chemicals to CWS for its water plant treatment. Per a review of the invoices, the Utility did not record \$393 in purchased chemical for the water plant. Therefore, Account No. 618 – Chemicals should be decreased by \$192 ($\$393 - \585). Staff recommends chemicals expense for the test year of \$2,629 ($\$2,821 - \192).

Contractual Services - Billing – (631) – CWS recorded \$0 in Account No. 631 for the test year. Manage America, LLC charges CWS for meter reading and billing. Because CWS' customers are charged a flat rate and the amounts are included in the customers' rent bills, the \$210 should be removed from expenses. The \$210 reflects one month of expense that was included in the general ledger for 2008. Staff recommends Contractual Services – Billing of (\$210) for the test year.

Contractual Services - Other – (636,736) – The Utility recorded \$10,785 in Account No. 636 for the test year. Pursuant to Audit Finding No. 3, staff has made several adjustments to Account No. 636. These adjustments include:

- Custom Controls and Pumps, Inc. provided a repair to the water plant that was invoiced at \$38 and was not recorded in the general ledger.
- CDR Excavating Corp. provided a repair to a water line at the Utility that was invoiced at \$1,200 and was not recorded in the general ledger.
- Florida Utility Group, LLC provided bacteriological water testing for the Utility but the amount of \$241 was not recorded in the general ledger.
- The Utility recorded \$1,075 in the general ledger in 2008 for annual rent increase computations for the residents of Haselton Village Mobile Home Park. This amount is non-utility-related and should be removed.
- State and local authorities require several analyses be submitted in accordance with Chapter 62-550, F.A.C. Testing costs incurred during the test year did not include non-annual testing costs. For additional testing costs not incurred during the test year, staff recommends that an additional annualized expense of \$888 be included in Acct. 636. These tests are required by DEP every three or more years. Projected estimated costs include:

Primary Inorganics		\$229		
Volatile Organics		\$125		
Synthetic Organic Contaminants		\$1,000		
Secondaries		\$200		
Radiologicals		<u>\$561</u>		
Total 3 yr cost	=	\$2,115	3 yr Annualized cost	= \$788
Disinfection ByProducts			Annualized cost	= <u>\$100</u>
			Total Annualized costs	= \$888

Based on the above adjustments, staff recommends Contractual Services–Other of \$1,292 (\$38 + \$1,200 + \$241 - \$1,075 + \$888) for test year.

Regulatory Commission Expense – (665) – CWS recorded \$0 in Account No. 665 for the test year. Staff has made adjustments to include the costs associated with this rate case in Account No. 665. Staff has included the filing fee of \$200 which results in an increase of \$50 ($\$200/4$ years). Additionally, staff has included the costs associated with the notices for this rate case which result in an increase of \$119 ($\$476/4$) to Account No. 665. These adjustments result in a total increase of \$169 ($\$50 + \119) to Acct. No. 675.

Operation and Maintenance Expense (O&M Summary) – Based on the above adjustments, O&M should be increased by \$7,036 as shown on Schedule No. 3-B. Staff's recommended O&M expenses of \$32,522 as shown on Schedule No. 3-C.

Depreciation Expense (Net of Amortization of CIAC) – The Utility recorded \$0 for depreciation expense. Staff calculated test year depreciation expense using the rates prescribed in Rule 25-30.140, F.A.C. Staff's calculated test year net depreciation expense is \$3,692. Also, as discussed in Issue 3, staff has included pro forma depreciation expense of \$45. Therefore, staff recommends net depreciation expense of \$3,737 ($\$3,692 + \45).

Taxes Other Than Income (TOTI) – CWS' records reflect a balance of \$2,150 for Acct. No. 408 – TOTI. The Utility recorded \$974 for Regulatory Assessment Fees (RAFs) for 2008. Pursuant to Audit Finding No. 5, staff recalculated the CWS' RAFs to be \$1,066. Thus, the Utility's RAF's should be increased by \$92 ($\$1,066 - \974). Also, staff recalculated CWS' property tax allocations based on the property tax invoices for Haselton Village Mobile Home Park. Total real estate property taxes for the Haselton Village Mobile Home Park for 2008 were \$58,886. Assessed values of individual structures were not available, so the total acreage of 36.18 was used to allocate the property taxes to CWS' utility facility. Per the Utility, the estimated acreage for the water treatment plant is 0.026 acres. As such, the amount that should be allocated to CWS is \$42 ($(0.026/36.18) \times \$58,886$). Based on these adjustments, TOTI should be increased \$134 ($\$92 + \42). Therefore, staff recommends TOTI of \$2,284 ($\$2,150 + \134).

Income Tax – The Utility recorded income tax of \$0 for water. CWS is a limited partnership. The tax liability is passed on to the owner's personal tax returns. Therefore, staff did not make an adjustment to this account.

Operating Expenses Summary – The application of staff's recommended adjustments to the audited test year operating expenses results in staff's calculated operating expenses of \$38,543. Operating expenses are shown on Schedule No. 3-A. The related adjustments are shown on Schedule 3-B.

Issue 8: Is an adjustment to reflect repression of consumption appropriate at this time?

Preliminary Recommendation: No, a repression adjustment is not appropriate at this time.
(Bruce)

Staff Analysis: As previously discussed in Issue 9, staff is recommending that a flat rate structure be continued by the Utility at this time. Due to the fact that a flat rate structure will not let customers reduce their bills by reducing consumption, staff does not believe that a reduction in consumption will occur. Therefore, a repression adjustment is not appropriate at this time.

Issue 9: Should the Utility's current rate structure be changed, and if so, what is the appropriate rate structure for the Utility's water system?

Preliminary Recommendation: Yes. The Utility's current structure should be changed to a uniform flat rate structure for the water system's residential and non-residential class. (Bruce)

Staff Analysis: CWS provides residential water service to 290 unmetered customers in Haselton Village Mobile Home Park (MHP). The wastewater system is interconnected with the City of Eustis. This community is age qualified for residents 55 years and over. The MHP features a clubhouse which includes an office, a pool, and a laundry facility.

As indicated in the Utility's current tariff, the rate structure consists of a dual flat rate charge. The flat rate is \$7.59 for the occupied residences and \$3.25 if a residence is unoccupied for at least 60 consecutive days. This current rate structure became effective in Order No. 21342, issued on June 6, 1989 when the Utility was granted water and wastewater certificates. In Docket No. 020102-WU the Commission approved a continuation of the flat rates and charges until authorized to change by the Commission in a subsequent rate proceeding.

As stated in previous issues, the MHP is located in SJRWMD. This entire area has been designated as a water use caution area (WUCA). It has been Commission practice as well as the desire of the SJRWMD to meter all connections for conservations purposes. However, as discussed in Issue 3, the SJRWMD issued a five year CUP which required the Utility to submeter only the clubhouse, office, pool, and the laundry facility within two years of the permit issuance to allow SJRWMD staff to conduct a water audit of the system.

Rule 25-30.255(1), Florida Administrative Code, requires that each Utility measure water sold on the basis of metered volume sales unless the Commission approves a flat rate service arrangement. The customer's average usage is approximately 3,500 gallons per month. This number was calculated based on the total number of gallons taken from the 2008 Monthly Operating Reports less 10 percent unaccounted-for-water, divided by the total number of bills. This number is relatively low for an unmetered customer base which indicates that there is virtually no discretionary usage. As mentioned above, the Utility has a flat rate for residences that are unoccupied for at least 60 consecutive days. This rate is approximately one-half of the rates for the customers that are occupied year round. However, staff recommends that the unoccupied rate be eliminated pursuant to Rule 25-30.437(6), Florida Administrative Code. This rule states that in proposing rates, the Utility shall use the base facility and usage charge rate structure, unless an alternative rate structure is adequately supported by the applicant. The base facility charge incorporates fixed expenses of the Utility and is a flat monthly charge. The charge is applicable as long as a person is a customer of the Utility, regardless of whether there is any usage. Staff believes that its single flat rate is analogous to the BFC charge, and does not believe that continuing the two flat tariffs are appropriate.

Based on the foregoing, staff believes that a uniform flat rate structure is appropriate for the water system's residential and non-residential class. In the past, the Commission has implemented a flat rate structure when it is not possible to obtain accurate consumption data.

Issue 10: What are the appropriate rates for each system?

Preliminary Recommendation: The appropriate monthly water rates are shown on Schedule No. 4. The recommended rates should be designed to produce revenues of \$42,065, excluding miscellaneous service charges. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice. (Bruce, Deason)

Staff Analysis: As discussed in earlier issues, the appropriate revenue requirement is \$42,065 for the water system. Also, due to the customers' low average consumption coupled with the SJRWMD's requirement to submeter the clubhouse, pool, and the laundry facility by July 2009; staff recommends that a uniform flat rate structure be implemented for the customers of CWS. Therefore, when the meters have been placed and there is consumption data, staff will be able to implement BFC/gallonage charge rate structure in a subsequent rate proceeding. Staff has calculated the flat rates by dividing the water revenue requirement of \$42,065 by 3,480 factored ERCs. The Utility's current rates, rate structure, and staff's recommended rates and rate structures are provided on Schedule No. 4.

Issue 11: What is the appropriate amount by which rates should be reduced four years after the established effective date to reflect the removal of the amortized rate case expense as required by Section 367.0816, Florida Statutes?

Preliminary Recommendation: The water rates should be reduced as shown on Schedule No. 4 to remove rate case expense grossed-up for RAFs and amortized over a four-year period. The decrease in rates should become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. The Utility should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If the Utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense. (Deason)

Staff Analysis: Section 367.0816, F.S., requires that the rates be reduced immediately following the expiration of the four-year period by the amount of the rate case expense previously included in the rates. The reduction will reflect the removal of revenues associated with the amortization of rate case expense, the associated return included in working capital, and the gross-up for RAFs which is \$179 annually. Using the Utility's current revenues, expenses, capital structure and customer base the reduction in revenues will result in the rate decreases as shown on Schedule No. 4.

The Utility should be required to file revised tariff sheets no later than one month prior to the actual date of the required rate reduction. The Utility also should be required to file a proposed customer notice setting forth the lower rates and the reason for the reduction.

If the Utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase or decrease and the reduction in the rates due to the amortized rate case expense.

Issue 12: Should the recommended rates be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility?

Preliminary Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the Utility on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility. Prior to implementation of any temporary rates, the Utility should provide appropriate security. If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed below in the staff analysis. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission's Division of Economic Regulation no later than the 20th of each month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund. (Deason)

Staff Analysis: This recommendation proposes an increase in water rates. A timely protest might delay what may be a justified rate increase resulting in an unrecoverable loss of revenue to the Utility. Therefore, pursuant to Section 367.0814(7), F.S., in the event of a protest filed by a party other than the Utility, staff recommends that the recommended rates be approved as temporary rates. The recommended rates collected by the Utility should be subject to the refund provisions discussed below.

The Utility should be authorized to collect the temporary rates upon the staff's approval of appropriate security for the potential refund and the proposed customer notice. Security should be in the form of a bond or letter of credit in the amount of \$10,435. Alternatively, the Utility could establish an escrow agreement with an independent financial institution.

If the Utility chooses a bond as security, the bond should contain wording to the effect that it will be terminated only under the following conditions:

- 1) The Commission approves the rate increase; or
- 2) If the Commission denies the increase, the Utility shall refund the amount collected that is attributable to the increase.

If the Utility chooses a letter of credit as a security, it should contain the following conditions:

- 1) The letter of credit is irrevocable for the period it is in effect, and.
- 2) The letter of credit will be in effect until a final Commission order is rendered, either approving or denying the rate increase.

If security is provided through an escrow agreement, the following conditions should be part of the agreement:

- 1) No refunds in the escrow account may be withdrawn by the Utility without the express approval of the Commission;
- 2) The escrow account shall be an interest bearing account;
- 3) If a refund to the customers is required, all interest earned by the escrow account shall be distributed to the customers;
- 4) If a refund to the customers is not required, the interest earned by the escrow account shall revert to the Utility;
- 5) All information on the escrow account shall be available from the holder of the escrow account to a Commission representative at all times;
- 6) The amount of revenue subject to refund shall be deposited in the escrow account within seven days of receipt;
- 7) This escrow account is established by the direction of the Florida Public Service Commission for the purpose(s) set forth in its order requiring such account. Pursuant to Cosentino v. Elson, 263 So. 2d 253 (Fla. 3d DCA 1972), escrow accounts are not subject to garnishments; and
- 8) The Commission Clerk must be a signatory to the escrow agreement.
- 9) The account must specify by whom and on whose behalf such monies were paid.

In no instance should the maintenance and administrative costs associated with the refund be borne by the customers. These costs are the responsibility of, and should be borne by, the Utility. Irrespective of the form of security chosen by the Utility, an account of all monies received as a result of the rate increase should be maintained by the Utility. If a refund is ultimately required, it should be paid with interest calculated pursuant to Rule 25-30.360(4), F.A.C.

The Utility should maintain a record of the amount of the bond, and the amount of revenues that are subject to refund. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission's Division of Economic Regulation no later than the 20th of each month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

Issue 13: Should the Utility be required to provide proof, within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable NARUC USOA primary accounts associated with the Commission approved adjustments?

Preliminary Recommendation: Yes. To ensure that the Utility adjusts its books in accordance with the Commission's decision, CWS should provide proof, within 90 days of the final order issued in this docket, that the adjustments for all the applicable NARUC USOA primary accounts have been made. (Deason)

Staff Analysis: To ensure that the Utility adjusts its books in accordance with the Commission's decision, staff recommends that CWS provide proof within 90 days of the final order issued in this docket that the adjustments for all the applicable NARUC USOA primary accounts have been made.

CWS COMMUNITIES LP TEST YEAR ENDING 12/31/2008 SCHEDULE OF WATER RATE BASE		SCHEDULE NO. 1-A DOCKET NO. 080715-WU	
DESCRIPTION	BALANCE PER UTILITY	STAFF ADJUST. TO UTIL. BAL.	BALANCE PER STAFF
1. UTILITY PLANT IN SERVICE	\$256,066	\$900	\$256,966
2. LAND & LAND RIGHTS	2,500	0	2,500
3. NON-USED AND USEFUL COMPONENTS	0	0	0
4. CIAC	0	(93,925)	(93,925)
5. ACCUMULATED DEPRECIATION	(178,300)	2,941	(\$175,359)
6. AMORTIZATION OF CIAC	0	38,757	38,757
7. WORKING CAPITAL ALLOWANCE	<u>0</u>	<u>4,065</u>	<u>4,065</u>
8. WATER RATE BASE	<u>\$80,266</u>	<u>\$47,262</u>	<u>\$33,004</u>

CWS COMMUNITIES LP TEST YEAR ENDING 12/31/2008 ADJUSTMENTS TO RATE BASE	SCHEDULE NO. 1-B DOCKET NO. 080715-WU
	<u>WATER</u>
<u>UTILITY PLANT IN SERVICE</u>	<u>\$900</u>
To reflect pro forma meter installations	
<u>CIAC</u>	
To reflect appropriate CIAC	<u>(\$93,925)</u>
<u>ACCUMULATED DEPRECIATION</u>	
1. To reflect accumulated depreciation per rule	(\$502)
2. To reflect averaging adjustment	3,487
3. To reflect pro forma accumulated depreciation for meter installations	<u>(45)</u>
Total	<u>\$2,941</u>
<u>AMORTIZATION OF CIAC</u>	
1. To reflect appropriate accumulated amortization of CIAC	\$39,397
2. To reflect an averaging adjustment	<u>(640)</u>
Total	<u>\$38,757</u>
<u>WORKING CAPITAL ALLOWANCE</u>	
To reflect 1/8 of test year O & M expenses.	<u>\$4,065</u>

CWS COMMUNITIES LP
TEST YEAR ENDING 12/31/2008
SCHEDULE OF CAPITAL STRUCTURE

CAPITAL COMPONENT	PER UTILITY	SPECIFIC ADJUSTMENTS	BALANCE BEFORE PRO RATA ADJUSTMENTS	PRO RATA ADJUSTMENTS	BALANCE PER STAFF	PERCENT OF TOTAL	COST	WEIGHTED COST
1. COMMON EQUITY	\$0	\$0	\$0					
2. RETAINED EARNINGS	0	0	0					
3. PAID IN CAPITAL	0	0	0					
4. COMMON EQUITY	<u>1,292,779,443</u>	<u>0</u>	<u>1,292,779,443</u>					
5. TOTAL COMMON EQUITY	\$1,292,779,443	\$0	\$1,292,779,443	(\$1,292,744,858)	\$34,585	42.43%	12.36%	5.25%
6. LONG TERM DEBT-Note	\$1,753,785,919	\$0	\$1,753,785,919	(\$1,753,739,000)	\$46,919	57.57%	5.51%	3.17%
TOTAL LONG TERM DEBT	\$1,753,785,919	\$0	\$1,753,785,919	(\$1,753,739,000)	\$46,919	57.57%	5.51%	3.17%
8. CUSTOMER DEPOSITS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>	0.00%	<u>0.00%</u>
9. TOTAL	<u>\$3,046,565,362</u>	<u>\$0</u>	<u>\$3,046,565,362</u>	<u>(\$3,046,483,858)</u>	<u>\$81,504</u>	<u>100.00%</u>		<u>8.42%</u>
RANGE OF REASONABLENESS						<u>LOW</u>	<u>HIGH</u>	
RETURN ON EQUITY						<u>11.36%</u>	<u>13.36%</u>	
OVERALL RATE OF RETURN						<u>7.99%</u>	<u>8.84%</u>	

CWS COMMUNITIES LP			SCHEDULE NO. 3-A		
TEST YEAR ENDING 12/31/2008			DOCKET NO. 080715-WU		
SCHEDULE OF WATER OPERATING INCOME					
	TEST YEAR PER UTILITY	STAFF ADJ. PER UTILITY	STAFF ADJUSTED TEST YEAR	ADJUST. FOR INCREASE	REVENUE REQUIREMENT
1. OPERATING REVENUES	<u>\$18,814</u>	<u>\$7,599</u>	<u>\$26,413</u>	<u>\$15,611</u> 59.10%	<u>\$42,025</u>
OPERATING EXPENSES:					
2. OPERATION & MAINTENANCE	25,486	7,036	32,522	0	32,522
3. DEPRECIATION (NET)	0	3,737	3,737	0	3,737
4. AMORTIZATION	0	0	0	0	0
5. TAXES OTHER THAN INCOME	2,150	134	2,284	703	2,987
6. INCOME TAXES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
7. TOTAL OPERATING EXPENSES	<u>\$27,636</u>	<u>\$10,907</u>	<u>\$38,543</u>	<u>\$703</u>	<u>\$39,246</u>
8. OPERATING INCOME/(LOSS)	<u>(\$8,822)</u>		<u>(\$12,130)</u>		<u>\$2,779</u>
9. WATER RATE BASE	<u>\$80,266</u>		<u>\$33,004</u>		<u>\$33,004</u>
10. RATE OF RETURN	<u>-10.99%</u>		<u>-36.75%</u>		<u>8.42%</u>

CWS COMMUNITIES LP		SCHEDULE NO. 3-B
TEST YEAR ENDING 12/31/2008		DOCKET NO. 080715-WU
ADJUSTMENTS TO OPERATING INCOME		
		<u>WATER</u>
OPERATING REVENUES		
	To reflect the appropriate test year revenue	<u>\$7,599</u>
OPERATION AND MAINTENANCE EXPENSES		
1.	Salaries and Wages - Employees (601) To reflect appropriate amount of salaries	<u>\$2,282</u>
2.	Purchased Power Expense (615) To include Purchased Power	<u>\$2,715</u>
3.	Fuel for Power Production (616) To include fuel for emergency generator	<u>\$980</u>
4.	Chemicals (618)	
	a. To remove duplicated chemical expense	(\$585)
	b. To include purchased chemicals	393
	Subtotal	<u>(\$192)</u>
5.	Contractual Services - Billing (631)	
	a. To remove unnecessary customer meter reading expense	<u>(\$210)</u>
6.	Contractual Services - Other (636)	
	a. To include repair to water plant	\$38
	b. To include repair to water lines	1,200
	c. To include water testing expense	241
	d. To remove non-utility expense	(1,075)
	e. To include non-annual testing expense	888
	Subtotal	<u>\$1,292</u>
7.	Regulatory Commission Expense(665) To amortize rate case expense	<u>\$169</u>
TOTAL OPERATION & MAINTENANCE ADJUSTMENTS		<u>\$7,036</u>
DEPRECIATION EXPENSE		
1.	To reflect net depreciation calculated per 25-30.140, FAC	\$3,692
	To reflect pro form depreciation expense for meter installations	<u>\$45</u>
2.	Total	<u>\$3,737</u>
TAXES OTHER THAN INCOME		
1.	To increase RAFs per audit	\$92
2.	To increase property taxes per audit	42
	Total	<u>\$134</u>

CWS COMMUNITIES LP		SCHEDULE NO. 3-C	
TEST YEAR ENDING 12/31/2008		DOCKET NO. 080715-WU	
ANALYSIS OF WATER OPERATION AND MAINTENANCE EXPENSE			
	TOTAL PER UTILITY	STAFF PER ADJUST.	TOTAL PER PER STAFF
(601) SALARIES AND WAGES - EMPLOYEES	\$11,504	\$2,282	\$13,786
(603) SALARIES AND WAGES - OFFICERS	0	0	0
(604) EMPLOYEE PENSION & BENEFITS	91	0	91
(610) PURCHASED WATER	0	0	0
(615) PURCHASED POWER	0	2,715	2,715
(616) FUEL FOR POWER PRODUCTION	0	980	980
(618) CHEMICALS	2,821	(192)	2,629
(620) MATERIALS AND SUPPLIES	0	0	0
(630) CONTRACTUAL SERVICES - BILLING	0	(210)	(210)
(631) CONTRACTUAL SERVICES - PROFESSIONAL	284	0	284
(635) CONTRACTUAL SERVICES - TESTING	0	0	0
(636) CONTRACTUAL SERVICES - OTHER	10,785	1,292	\$12,077
(640) RENTS	0	0	0
(650) TRANSPORTATION EXPENSE	0	0	0
(655) INSURANCE EXPENSE	0	0	0
(665) REGULATORY COMMISSION EXPENSE	0	169	169
(670) BAD DEBT EXPENSE	0	0	0
(675) MISCELLANEOUS EXPENSES	0	0	0
	<u>\$25,486</u>	<u>\$7,036</u>	<u>\$32,522</u>

Docket No. 070415-WS

Date: May 20, 2009

CWS COMMUNITIES LP		SCHEDULE NO. 4	
TEST YEAR ENDING 12/31/2008		DOCKET NO. 080715-WU	
MONTHLY WATER RATES			
	UTILITY'S EXISTING RATES	STAFF RECOMMENDED RATES	4 YEAR RATE REDUCTION
<u>General and Residential Service</u>			
Unoccupied	\$3.25	\$12.09	\$0.05
Occupied	\$7.59	\$12.09	\$0.05
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>			
3,000 Gallons	\$7.59	\$12.09	
5,000 Gallons	\$7.59	\$12.09	
10,000 Gallons	\$7.59	\$12.09	