

MEMORANDUM

October 1, 1998

TO : DIVISION OF LEGAL SERVICES (REYES) *RRR*  
 FROM : DIVISION OF WATER AND WASTEWATER (REDEMANN)  
 RE : DOCKET NO. 970657-WS; APPLICATION FOR A ORIGINAL CERTIFICATES  
 FOR WATER AND WASTEWATER BY LAKE SUZY UTILITIES, INC. IN  
 CHARLOTTE AND DESOTO COUNTIES.

DOCKET NO. 980261-WS; APPLICATION OF FLORIDA WATER SERVICES  
 CORPORATION FOR AMENDMENT OF WATER AND WASTEWATER  
 CERTIFICATES NOS. 570-W AND 496-S IN CHARLOTTE COUNTY.

We would like to pose some interrogatories and requests for production of documents to  
 Lake Suzy Utilities, Inc. and Florida Water Services Corporation.

Send to Lake Suzy Utilities, Inc.

Production of Documents

1. Provide a copy of a territory map(s) for Charlotte County with the proposed territory  
 description plotted thereon. Label all angles, distances and references that describe the proposed  
 territory on the territory map(s). The map(s) can be any reasonable size that will allow  
 correlation of the territory description to the map(s).

2. Provide a copy of a system map(s) for Charlotte County with the current water line(s) and  
 the proposed water lines plotted thereon. Label the size in inches of all water lines and other  
 proposed distribution items such as fire hydrants, if any. The map(s) can be any reasonable size  
 that will allow correlation of the territory description to the map(s). The system and territory  
 map(s) can be the same map.

3. Provide a copy of the current wastewater treatment plant operating permit.

4. Provide a copy of the most recent 12 months of monthly operating permits for water and  
 wastewater.

5. Provide a copy of the order(s) that includes the territory description that Lake Suzy was  
 granted to serve while under the jurisdiction of the Commission.

XK \_\_\_\_\_  
 TA \_\_\_\_\_  
 DP \_\_\_\_\_  
 AF \_\_\_\_\_  
 WU \_\_\_\_\_  
 FR \_\_\_\_\_  
 AG \_\_\_\_\_  
 EG \_\_\_\_\_  
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 PC \_\_\_\_\_  
 CH \_\_\_\_\_  
 EC 1 \_\_\_\_\_  
 VAS \_\_\_\_\_  
 YTL \_\_\_\_\_

DOCUMENT NUMBER-DATE

10846 OCT-28

1998 RECORDS/REPORTING

DOCKET NO. 970657-WS  
DATE: October 1, 1998

6. Provide a copy of a territory map(s) for the area described in Production of Document No. 5. Label all angles, distances and references that describe the proposed territory on the territory map(s). The map(s) can be any reasonable size that will allow correlation of the territory description to the map(s).
7. Provide a copy of Lake Suzy's contract for bulk water service.

Send to Lake Suzy Utilities, Inc.

Interrogatories

1. Please identify the source from which Lake Suzy obtains its bulk water?
2. Please discuss whether there is a limit on the number of additional water customers that can be added by Lake Suzy in the contract for bulk water?
3. Please provide a income statement or other appropriate information to reflect Lake Suzy's financial ability to serve the proposed area in Charlotte County.
4. Please provide information with respect to Lake Suzy's technical ability to serve the proposed area in Charlotte County
5. Please explain how water and wastewater service would be provided in Charlotte and whether any sharing of resources will occur between facilities in DeSoto and Charlotte Counties. Provide include information on operators, management and technical staff, and also the physical provisioning of service (line size, etc.) .
6. If the utility is granted water service in Charlotte County, what cost savings, if any, would result if the Commission would have jurisdiction of the water and wastewater system, rather than the Commission having jurisdiction of the water system and DeSoto County having jurisdiction of the wastewater system.
7. Provide the capacity of Lake Suzy's wastewater treatment plant.
8. How close (in feet) are Lake Suzy's water lines to the proposed area in Charlotte County?
9. How long would it take Lake Suzy to provide water service to the entire requested area in Charlotte County, and discuss how the service would be provided. Include the size of water

DOCKET NO. 970657-WS  
DATE: October 1, 1998

and wastewater lines that would serve the area, and advise the number of hydrants, if any, that would be installed.

10. Provide any developer agreements, letters or correspondence from customers or developers who have inquired or requested service in the disputed area.

11. Has Florida Water approached Lake Suzy to buy the utility? What is the status of the negotiations?

12. What is the maximum number of residential customers the utility could add to their service area from the requested area in Charlotte County?

13. It does not appear that Lake Suzy can expand to the East, West, or South of this area, if they were granted the area. Therefore, how does water and wastewater service to these customers fit into the utility's long term plans for this system?

14. Please explain why mediation is not a viable option for resolution of this territory dispute with FWSC.

15. In reference to Production of Document No. 5 and 6, regarding the former certificated area of the utility. Provide a list of customers the utility is serving outside of the former certificated area.

16. Please review the following charts on service availability charges and monthly water service charges, and affirm the rates and charges are correct for customers to be served in the proposed area, or provide the correct rates and charges.

DOCKET NO. 970657-WS  
 DATE: October 1, 1998

<b>Service Availability Charges for a 5/8" x 3/4" Meter</b>	
Description	Lake Suzy  Water
System Capacity Charge	Discontinued
Main Extension Charge	(1)
Meter Installation Charge	\$ 150.00
Water - Service Installation Charge per connection	\$ -
	\$ -
Plant Capacity Charge	\$ -
Allowance for Funds Prudently Invested Transmission/Distribution May, 1998	\$ -
<b>Total</b>	<b>\$ 150.00</b>

(1) Lake Suzy's tariff allows the utility to require the developer to pay all costs of main extensions and upgrading of the utility's distribution system.

DOCKET NO. 970657-WS  
DATE: October 1, 1998

<b>Water Monthly Service Rates for a 5/8" x 3/4" Meter</b>	
	Lake Suzy
	<b>Water</b>
<b>Base Facility Charge</b>	\$ 9.76
<b>Gallage Charge per 1,000 gallons:</b>	\$ 4.88
<b>Typical Bills:</b>	
0 gallons	\$ 9.76
5,000 gallons	\$ 34.16
10,000 gallons	\$ 58.56

For the following production of documents and interrogatories we are referring to Florida Water's Deep Creek service area.

Production of Documents

1. Provide a copy of a territory map(s) for Charlotte County with the proposed territory description plotted thereon. Label all angles, distances and references that describe the proposed territory on the territory map(s). The map(s) can be any reasonable size that will allow correlation of the territory description to the map(s).
2. Provide a copy of a system map(s) for Charlotte County with the current water line(s) and the proposed water lines plotted thereon. Label the size in inches of all water lines and other proposed distribution items such as fire hydrants, if any. The map(s) can be any reasonable size that will allow correlation of the territory description to the map(s). The system and territory map(s) can be the same map.

DOCKET NO. 970657-WS  
DATE: October 1, 1998

3. Provide a copy of the bulk water and wastewater service agreement between FWSC and Charlotte County.
4. Provide a letter from Charlotte County that will allow the utility to service this area.

Send to Florida Water Services Corporation (Florida Water).

Interrogatories

1. How close (in feet) are Florida Water's water and wastewater lines to the proposed area in Charlotte County?
2. Please explain how long would it take Florida Water to provide water and wastewater service to this area, and discuss how the service would be provided. Include the size of water and wastewater lines that would serve the area, and advise the number of hydrants, if any, that would be installed. Explain whether the water system would be looped or have a dead end.
3. Provide any developer agreements, letters or correspondence from customers or developers who have inquired or requested service in the disputed area.
4. Has Florida Water approached Lake Suzy to buy the utility? What is the status of the negotiations?
5. What is the maximum number of residential customers the utility could add to their service area from this amendment with its current capacity?
6. It does not appear that Florida Water could expand to the West, North or South of this area, if they were granted the area. Therefore, how does water and wastewater service to these customers fit into the utility's long term plans for this system?
7. Please explain why mediation is not a viable option to resolve this territory dispute.
8. It appears that FWSC has extended water lines North of the Western Shores and Silver Lakes water systems in Lake County, which is outside the certificated area. Please explain why the utility has not filed for an amendment to include the area.
9. Please explain why FWSC believes it is more appropriate to go to hearing on Lake Suzy's amendment than to file for its own amendment in Lake County.

DOCKET NO. 970657-WS  
 DATE: October 1, 1998

10. It appears that the Conrad Property in the Deep Creek area would like service from FWSC. Please explain why the utility has not filed for this amendment to include the area.

11. Please explain why FWSC believes it is more appropriate to go to hearing on Lake Suzy's amendment than to file for its own amendment for the Conrad Property in Charlotte County.

12. Please review the following charts on service availability charges and monthly water service charges, and affirm the rates and charges are correct for customers to be served in the proposed area, or provide the correct rates and charges.

Description	Water	Wastewater
Main Extension Charge	\$ 446.00	\$ 480.00
Meter Installation Charge	\$ 90.00	
Service Installation Charge Paved 6 inch (wastewater)	\$ 143.00	\$ 605.00
Plant Capacity Charge	\$ 700.00	\$1,300.00
Allowance for Funds Prudently Invested Transmission/Distribution May, 1998	\$ 107.00	\$ 34.00
Total	\$1,186.00	\$2,419.00

	Water	Wastewater
Base Facility Charge		
Meter Size	Charge	Charge
5/8" x 3/4"	\$13.62	\$19.04
Gallonage/1,000 gallons	\$3.88	\$4.91
Typical Bill using 5,000 gallons	\$33.02	\$43.59
Typical Bill using 10,000 gallons	\$52.42	\$68.14

DOCKET NO. 970657-WS  
DATE: October 1, 1998

13. Is FWSC in negotiations or any level of discussion with DeSoto and/or any other source than Charlotte County, to obtain water and wastewater service? If yes, please explain.

14. Charlotte County has indicated that it will not provide water and wastewater capacity for Florida Water to serve this area. What is the status of your capacity with Charlotte County?

15. In the Apple Valley subdivision there are homes with wells that have EDB and Nitrate Contamination. The Department of Environmental Protection (DEP) has offered to pay about \$75,000 to extend lines into the area to correct the problem. However, they have not received a response from FWSC. Who is responsible for this project? Does FWSC plan to accept this project from DEP? Who should DEP contact in the future for restoration/line extensions?

16. Please explain why FWSC believes it is more appropriate to go to hearing on Lake Suzy's amendment than to help DEP correct EDB and Nitrate Contamination in the Apple Valley subdivision?

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CC: Division of Records and Reporting (Bayo, Security File)