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May 8, 2001

Our File No: 4019

## VIA OVERNIGHT DELIVERY

Mr. E. Leon Jacobs, Jr. Chairman Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0865

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Re:

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Thomas A. Cloud

Revised Application of Zellwood Station Co-Op, Inc. for Rate Increase-

Request for Test Year Approval

### Dear Chairman Jacobs:

Zellwood Station Co-Op, Inc., by and through undersigned counsel and pursuant to Florida Administration Code Rule 25-30.430, I hereby request approval of a test year. This revised request for test year approval supercedes the request filed April 10, 2001. In support of this request, Zellwood states the following:

- The name and address of petitioner is Zellwood Station Co-Op, Inc., 2126 (1) Spillman Drive, Zellwood, Florida 32798-9799.
- (2)Correspondence concerning this request should be send to the following:

Thomas A. Cloud, Esquire Gray, Harris & Robinson, P.A. 301 East Pine Street, Suite 1400 Orlando, Florida 32801

Zellwood is a water and sewer utility regulated by the Florida Public (3)Service Commission pursuant to Chapter 367, Florida Statutes. Zellwood provides water and sewer service in Orange County pursuant to Certificate Nos. 602-W and 518-S. Zellwood provides service for about 1,200 customers in an area known as Zellwood Station.



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- (4) Zellwood is preparing to file with the Commission an application for a permanent rate increase pursuant to Section 367.081, Florida Statues and Florida Administrative Code, Chapter 25-30. Zellwood declines to utilize the proposed agency action process.
- (5) Pursuant to Florida Administrative Code Rule 25-30.430, Zellwood requests the approval of a test year ending December 31, 2000 for its permanent rate filing. This test year is representative of current utility operations inasmuch as it includes the latest twelve months of actual operating and billing data available for the system. Use of this test year will allow for a review of the most currently available utility data.
- (6) There have been no major plant expansions which have occurred since the issuance of the Certificates by Water No. PSC-98-1572-FOF-WS dated November 23, 1998. There have been no additional major plant expansions that occurred during the requested test year.
- (7) The known pro forma adjustments at this time will be the following:
  - (a) An adjustment to the account for the construction and operation of the reclaimed water facility as required by the St. Johns's River Water Management District which is estimated to cost \$1.15 million,
  - (b) An adjustment to the account for construction of a new water tank which is estimated to cost \$55,000,
  - (c) An adjustment to the account for additional operation and maintenance expenses for the operation and maintenance of the on-site water distribution and wastewater collection lines which is estimated to be as follows:
    - \$10,000 per year repairs to the wastewater collection system
    - \$ 5,000 per year repairs to the water distribution system
    - \$ 5,000 to inspect and repair the concrete water storage tank recurring every five years
    - \$50,000 I&I study on the wastewater collection system expensed over a five-year period

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- \$ 7,500 leak detection study on the water distribution system recurring every seven years
- \$40,000 to rehab existing wastewater facility
- \$ 3,500 per year repair and replacement of wastewater lift station components
- \$ 1,000 per year well inspection
- \$10,000 per year for two years for water meter replacement

Therefore, for the reasons set forth above, Zellwood would respectfully request that the Commission approve a test year ending December 31, 2000 for permanent rate purposes or such other purposes as deemed appropriate by the Commission. This request is respectfully submitted this 8th day of May, 2001. Please call me if you require me any additional information.

Sincerely yours,

Thomas A. Cloud, Esquire

GRAY, HARRIS & ROBINSON, P.A. 301 East Pine Street, Suite 1400 Orlando, Florida 32801

Attorneys for Zellwood Station, Co-Op, Inc.

## TAC/jg

cc: Tim Devlin, Director, Division of Economic Regulation, FPSC
Marshall W. Willis, FPSC
Blanca S. Bayó, Director, Division of Records & Reporting, FPSC
Jennifer Brubaker, Assistant General Counsel, FPSC (via fax 850-413-6250)
Patricia W. Merchant, Public Utilities Supervisor, FPSC
Julian R. Coto, P.E., D.E.E.
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