STATE OF FLORIDA



COMMISSIONERS: E. LEON JACOBS, JR., CHAIRMAN J. TERRY DEASON LILA A. JABER BRAULIO L. BAEZ MICHAEL A. PALECKI



Division of Regulatory Oversight Daniel M. Hoppe, Director (850) 413-6480

Hublic Service Commission

January 7, 2002

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

RE: Docket No. 990374-WS; Application for Certificates to Operate a Water and Wastewater Utility in Highlands County by The Woodlands of Lake Placid, L.P.

Dear Mr. Lovelette:

The purpose of this letter is to advise you of outstanding deficiencies in the above referenced application, in addition to other concerns which must be addressed before the application can be processed by the Commission.

Deficiencies

As required by Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, the utility must provide notice of the application to the governing body of the county or city affected to the Public Counsel, to the Commission, and to the customers. The notice must be published in a newspaper, and affidavits must be filed with the Commission to verify this notice. As you indicated in telephone conversation with Mr. Richard Redemann, staff engineer, the noticing is complete. Please provide affidavits that show the completion of noticing for the wastewater territory.

Additional Concerns

In addition, there is an overlap of wastewater territory with Highlands Utilities Corporation (Highlands). You have indicated in phone conversations that there is an agreement with Highlands to serve the wastewater territory. Please provide a copy of that agreement. The agreement should include the description and a territory map. Staff will process the deletion of that territory from Highlands in this docket, rather than in another separate proceeding.

Another concern is with respect to the implementation of future metering to your customers.

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As you are aware, the Consumptive Use Permit with the Southwest Florida Water Management District required The Woodlands of Lake Placid, L.P. (The Woodlands) to file a water conservation oriented rate structure with the Public Service Commission. The Woodlands has filed for a staff assisted rate case. In the staff assisted proceeding, a metered monthly service rate probably will be implemented to all customers. Please start collecting data to use in setting those rates. The staff requests that the utility start reading the individual meters that have been installed on a monthly basis. We also suggest that the utility continue meter installation on currently unmetered properties.

Please file an original and two copies of the requested information relating to deficiencies no later than January 28, 2002 with the Commission Clerk and Administrative Services Director, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850.

If you have any questions please call Mr. Richard Redemann at (850) 413-6999, Ms. Stephanie Clapp at (850) 413-6997 or Mr. Jason Fudge at (850) 413-6236.

Sincerely,

Patti Daniel

Patti Daniel, Chief, Bureau of Certification

C:\wp6\990374j.rpr Enclosure cc: Jackson (Attorney) Lobozzo, Jr. (Attorney) Highlands Utilities Corporation (Pugh) Division of Records and Reporting Division of Legal Services (Fudge) Division of Regulatory Oversight (Clapp, Redemann, lowe, Hoppe) Division of Economic Regulation (Rendell)