

FROM: Cheryl Johnson, Division of Economic Regulation

RE: Docket No. 030655-WU Application for Authority to Transfer the Facilities of and Certificate No. 149-W in Pasco County from Virginia City Utilities, Inc. to Virginia City Utility Company a Division of Community Utilities of Florida, Inc.

Please include the attached document in file docket no. 030655-WU.



DOCUMENT NUMBER-DATE



FPSC-COMMISSION CLF"

PSC

Commissioners: Lila A. Jaber, Chairman J. Terry Deason Braulio L. Baez Rudolph "Rudy" Bradley Charles M. Davidson

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STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Public Serbice Commission

August 15, 2003

Mr. Matthew A. Potter, CPA 5940 Main Street New Port Richey, FL 34652

Re: Docket No. 030655-WU - Application for transfer of facilities and Certificate No 149-W in Pasco County from Virginia City Utilities, Inc. to Virginia City Utility Company a Division of Community Utilities of Florida, Inc.

Dear Mr. Potter:

The above referenced application has been received and reviewed by Commission staff. This letter addresses the deficiencies found by staff in the transfer application filed on July 21, 2003, and also notes additional clarifications. All items must be addressed in order to process the application.

Deficiencies

- 1. Tariff Sheets. Pursuant to Rule 25-30.037(2)(s), F.A.C., the applicant shall provide an original and two copies of the sample tariff sheets reflecting the change in ownership. A copy of the rate tariff sheets were provided in the application. Please provide one original and two copies of a complete set of tariff sheets reflecting the change in ownership. A copy of the Commission's model water tariff can be accessed on line at the Commission website at <u>www.floridapsc.com</u>. To obtain a copy of model tariff click on the water and wastewater icon under regulated utilities, next click on water and wastewater application packages, and then click model water tariff.
- 2. Utility's current certificate. Pursuant to Rule 25-30.037(2)(t), F.A.C., the applicant shall provide the utility's current certificate, or if not available, the applicant shall provide an explanation of the steps the applicant took to obtain the certificate. A copy of the certificate was provided with the application, however, the original is needed. Please provide the original certificate or provide an explanation of steps taken to obtain the certificate.

We were not able to locate it as we are the second owner. We provide a photo copy of a photo copy which we had. Virginia City Utilities, Inc Page 2 August 15, 2003

Other Information

- 1. Wastewater service. Who provides wastewater service to the utility's customers?
- 2. Annual Report. According to our records, Virginia City Utilities, Inc. failed to file its 2002 annual report as required by Rule 25-30.110(3), F.A.C. As a result of you not filing the required annual report, a penalty for noncompliance will be assessed as required by Rule 25-30.110(6), F.A.C. The penalty is based on the number of calendar days elapsed from March 31, or from the approved extended filing date (May 12, 2003), until the date the annual report is filed, at \$3.00 per day. As of August 11, 2003, inc., and the penalty charge.
- 3. Positive Acquisition Adjustment. Pursuant to Rule 25-30.0371(2), F.A.C., a positive acquisition adjustment shall not be included in rate base absent proof of extraordinary circumstances. Any entity that believes a full or partial positive acquisition adjustment should be made has the burden to prove the existence of extraordinary circumstances. If you wish to pursue Commission approval of a positive acquisition adjustment, please submit evidence that demonstrates extraordinary circumstances. The buyer requested this
- 4. Stand by Charge. According to tariff sheet No. 14, the utility has an approved stand by charge of \$3.85. Is this charge still implemented? $y_{e \leq S}$.
- 5. According to the application, the buyer is addressing a lead and copper problem resulting from the Pasco County water corrosion, would you please provide a written explanation on how the lead and copper problem is being resolved. Currently working on a treatment and public education plan.
- 6. Pursuant to Order No. PSC-97-0037-FOF-WU, issued January 8, 1997, in Docket No. 960625-WU, the utility was required to implement a value change out program to replace all gate valves. Please provide a written description explaining the status of the water value replacement program. The utility changed all values required to be changed plus a few extra.

Your response to this letter should be filed with the Commission on or before September 22, 2003. Please be sure to refer to the docket number and direct the response to the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399. If you have any questions please call Ms. Cheryl Johnson at (850) 413-6984, Ms. Adrienne Vining at (850) 413-6183 or Mr. Stan Rieger at (850) 413-6970.

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Virginia City Utilities, Inc Page 3 August 15, 2003

Sincerely,

Patti Daniel Supervisor of Certification

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PD:caj

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cc: Office of General Counsel (Vining)
 Division of Economic Regulation (Johnson, Rieger, Mailhot)
 Division of Commission Clerk and Administrative Services (Bayó)
 Mr. Gary Deremer
 5320 Captains Court
 New Port Richey, Florida 34652

State of Florida



Huhlic Serbice Commission -M-E-M-O-R-A-N-D-U-M-

 DATE: November 24, 2003
 TO: Division of the Commission Clerk and Administrative Services
 FROM: Cheryl Johnson, Division of Economic Regulation
 RE: Docket No. 030656-WU Application for Transfer the Facilities of and Certificate No. 139-W in Pasco County from Dixie Groves Estates, Inc. To Dixie Groves Utility Company a Division of Community Utilities of Florida, Inc.

Please include the attached document in file docket no. 030656-WU.

DOCUMENT NUMBER CATE 1944 NOV 24 S FPSC-CONTRIGSION CLEEP

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Commissioners: Lila A. Jaber, Chairman J. Terry Deason Braulio L. Baez Rudolph "Rudy" Bradley Charles M. Davidson

STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR Division of economic regulation (\$50) 413-6900

Jublic Service Commission

August 15, 2003

Mr. Matthew A. Potter, CPA 5940 Main Street New Port Richey, FL 34652

Re: Docket No. 030656-WU - Application for transfer of facilities and Certificate No. 139-W by Dixie Groves Estates, Inc., in Pasco County to Dixie Groves Utility Company a Division of Community Utilities of Florida, Inc.

Dear Mr. Potter:

The above referenced application has been received and reviewed by Commission staff. This letter addresses the deficiencies found by staff in the transfer application filed on July 21, 2003, and also notes additional clarifications. All items must be addressed in order to process the application.

Deficiencies

1. Evidence of Land Ownership. Pursuant to Rule 25-30.037(2)(q), Florida Administrative Code (F.A.C.), the application is to include evidence that the utility owns the land upon which the utility treatment facilities are located, or a copy of an agreement which provides for the continued use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative. These documents must be in the exact name of the utility. Please provide either a recorded deed or other evidence of utility's long term access to the property for the utility's treatment facilities. If a quit claim deed is submitted, please provide proof of title insurance with the quit claim deed and a statement as to the location of the water facilities. This, was started in 1950 and all we have to give you is a printout from the County records, tax bill. Tariff Sheets. Pursuant to Rule 25-30.037(2)(s), F.A.C., the applicant shall provide an 2. original and two copies of the sample tariff sheets reflecting the change in ownership. A copy of the rate tariff sheets were provided in the application. Please provide one original and two copies of a complete set of tariff sheets reflecting the change in ownership. A copy of the Commission's model water tariff can be accessed on line at the Commission website at www.floridapsc.com. To obtain a copy of model tariff, click on the water and wastewater icon under regulated utilities, next click on water and wastewater application packages, and then click model water tariff

CAPITAL CIRCLE OFFICE CENTER + 2540 SHUMARD OAK BOULEVARD + TALLAHASSEE, FL 32399-0865 An Affirmative Action/Equal Opportunity Employer

PSC Website: http://www.floridapsc.com

laternet E-mail: contact@psc.state.fl.us

Dixie Groves Utility Company Page 2 August 15, 2003

Other Information

- 1. Wastewater service. Who provides wastewater service to the utility's customers?
- Annual Report. According to our records, Dixie Groves Estates, Inc., failed to file its 2002 annual report as required by Rule 25-30.110(3), F.A.C. As a result of not filing the required annual report, a penalty for noncompliance will be assessed as required by Rule 23-30.110(6), F.A.C. The penalty is based on the number of calendar days elapsed from March 31, or from the approved extended filing date, until the date the annual report is filed, at \$3.00 per day. As of August 11, 2003, the penalty is \$273.00. rease submit the 2002 annual report for Dixie Groves Estates, Inc., and the penalty charge.
- 3. Positive Acquisition Adjustment. Pursuant to Rule 25-30.0371(2), F.A.C., a positive acquisition adjustment shall not be included in rate base absent proof of extraordinary circumstances. Any entity that believes a full or partial positive acquisition adjustment should be made has the burden to prove the existence of extraordinary circumstances. If you wish to pursue Commission approval of a positive acquisition adjustment, please submit evidence that demonstrates extraordinary circumstances. The seller recuester this item a
- According to the application, the buyer is addressing a water value and water meter replacement program. Please provide a written description explaining the status of the water value and water meter replacement program. The buyer has informed us then they are implementing a plan to charge all meters turclues.
 In the utility's last rate case, issues were raised in regards to the refund of customer deposits
- 5. In the utility's last rate case, issues were raised in regards to the refund of customer deposits and the books and records. Please provide a statement as to what was done by the utility to address these issues? This was taken care of by crediting interest owed on deposits upon final bills and retunding deposits that qualified to be refunded.

deposits upon final bills and refunding deposits that Qualified to be refuered Your response to this letter should be filed with the Commission on or before September 22, 2003. Please be sure to refer to the docket number and direct the response to the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399. If you have any questions please call Ms. Cheryl Johnson at (850) 413-6984, Ms. Jennifer Rodan at (850) 413-6189 or Mr. Stan Rieger at (850) 413-6970.

Sincerely,

Patti Daniel, Supervisor Bureau of Certification & Tariffs

PD: caj

cc: Office of General Counsel (Rodan) Division of Economic Regulation (Johnson, Rieger) Wolcome : Records Search : Parcel Detail

Search Again Show Map Generalized Building Schematic Calculate Taxes

See Tax Collector Information - Current/Delinquent Taxes

NEW PORT RICHEY, FL 346560845 Building \$2,5 Physical Address Extra Features \$4 Legal Description (First 4 Lines) Extra Features \$4 DIXIE GROVES ESTATES PB 6 PG Save Our Homes \$14,0 27 LOTS 3 & 4 BLOCK G & WEST Taxable Value \$14,0 20.00 FT OF SOUTH 30.60 FT OF LOT 3 BLOCK F \$14,0 Line Use Description Zoning Units Type Price Cond Value 01 1700 1STORY OFF 00C1 7,737.00 SF 3.56 0.40 \$11,0 Additional Land Information Additional Land Information State State <th>Parcel I</th> <th>)</th> <th></th> <th colspan="7">32-26-16-0010-00G00-0030 (Card: 1 of 1)</th>	Parcel I)		32-26-16-0010-00G00-0030 (Card: 1 of 1)							
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Search Again Show Map Generalized Building Schematic Calculate Taxes See Tax Collector Information - Current/Delinquent Taxes