ORIGINAL

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REPLY TO CENTRAL FLORIDA OFFICE

October 9, 2006

HAND DELIVERY

RECEIVED-FPSC

CENTRAL FLORIDA OFFICE
SANLANDO CENTER
2180 W. STATE POLO 13 F. CANDA (407) 830-6331

MARTIN S. FRIEDMAN, P.A. VALERIE L. LORD BRIAN J. STREET

FAX (407) 830-8522

Ms. Blanca Bayo Commission Clerk and Administrative Services Director Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

RE: Docket No.: 060255-SU; Tierra Verde Utilities, Inc.'s Application for Rate Increase

in Pinellas County, Florida Our File No.: 30057.111

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket is the original and twelve (12) copies of the Affidavit of Mailing evidencing the Initial Customer Notice and Notice of Customer Meeting has been sent to the customers of Tierra Verde Utilities, Inc.

		Should you have any questions regarding this filing, please do not hesitate to give me
MP_	a call	
_MC		Very trylly yours,
TR _		(The Kond
CR _		VALERIE L. LORD
CL_		For the Firm
D0	VLL/1	np
PC _	Enclo	sures
CA	· · · · · · · · · · · · · · · · · · ·	
CR	cc:	Martha Brown, Esquire, Office of General Counsel (w/enc.)
OI -		Mr. Troy Rendell, Division of Economic Regulation (w/enc.)
GA _		Stephen Reilly, Esquire, Office of Public Counsel (w/enc.)
EC		Steven M. Lubertozzi, Chief Regulatory Officer (w/enc.) John Hoy, Regional Vice President for Operations (w/o enc.)

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Patrick C. Flynn, Regional Director (w/enc.)

DOCUMENT NUMBER - DATE

09301 OCT-98

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of TIERRA VERDE LITILITIES I

TIERRA VERDE UTILITIES, INC. for an increase in wastewater rates in Pinellas County, Florida

DOCKET NO. 060255-SU

NOTICE OF FILING

Applicant, TIERRA VERDE UTILITIES, INC., by and through its undersigned attorneys, hereby gives notice of filing in the above-referenced docket the original Affidavit of Mailing evidencing the Initial Customer Notice and Notice of Customer Meeting has been sent to the Utility's customers.

Respectfully submitted this 6th day of October, 2006, by:

ROSE, SUNDSTROM & BENTLEY, LLP Sanlando Center 2180 W. State Road 434, Suite 2118

Longwood, FL 32799 Telephone: (407)/830-6331

MARTIN S. FRIEDMAN

VALERIE L. LORD

For the Firm

DOCUMENT NUMBER-DATE

CERTIFICATE OF SERVICE DOCKET NO. 060255-SU

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished

by U. S. Mail this 6th day of October, 2006, to:

Martha Brown, Esquire OFFICE OF GENERAL COUNSEL Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

Stephen Reilly, Esquire OFFICE OF PUBLIC COUNSEL Claude Pepper Building 111 W. Madison Street, Suite 812 Tallahassee, FL 32399

MARTIN S. FRIEDMAN

VALERIE L. LORD

For the Firm

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AFFIDAVIT OF MAILING

STATE OF ILLINOIS

COUNTY OF COOK

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared STEVEN M. LUBERTOZZI, who, after being duly sworn on oath, did depose and say that he is the Chief Regulatory Officer of Tierra Verde Utilities, Inc., and that on October 5, 2006, he did send by regular U.S. Mail a copy of the Initial Customer Notice and Notice of Customer Meeting for Tierra Verde Utilities, Inc. to the Utility's customers in the form attached hereto.

FURTHER AFFIANT SAYETH NAUGHT.

STEVEN M. LUBERTOZZI

Sworn to and subscribed before me this 5th day of 6th 2006, by STEVEN M. LUBERTOZZI, who is personally known to me or has produced as identification.

Official Seal
Michelle \$ Cohn
Notary Public State of Illinois
My Commission Expires 09/15/08

NOTARY PUBLIC - STATE OF ILLINOIS

Printed Name: Michelle S (ohn

My Commission Expires: 9 15 06

BEFORE THE PUBLIC SERVICE COMMISSION

INITIAL CUSTOMER NOTICE

AND

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF TIERRA VERDE UTILITIES, INC. AND ALL OTHER INTERESTED PERSONS

RE: DOCKET NO.: 060255-SU
APPLICATION FOR INCREASE IN WASTEWATER RATES IN PINELLAS COUNTY
BY TIERRA VERDE UTILITIES, INC.

DATED: October 5, 2006

NOTICE is hereby given that the staff of the Florida Public Service Commission (*Commission*) will conduct a customer meeting to discuss the Application for an increase in wastewater rates of Tierra Verde Utilities, Inc. (*Utility*). The meeting will be held at the following time and place:

Wednesday, November 1, 2006 6:00 p.m. City of St. Pete Beach City Hall City Commission Chambers 155 Corey Avenue St. Pete Beach, Florida

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 of the customers have been heard.

In addition to the customer meeting to be held on November 1, 2006, at 6:00 p.m., members of the Commission staff will be available that afternoon from 2:00 p.m. to 4:00 p.m., to meet with representatives of customer groups, homeowners' associations, and developers who desire a more in-depth discussion of the issues. Appointments may be made for the meeting with Commission staff by contacting Ms. Shannon Hudson at 850-413-7021 prior to Monday, October 30, 2006. All representatives who wish to participate in individual meetings are urged to make an appointment, since the individual meetings may be canceled if no appointments are made.

Any person requiring some accommodation at the customer meeting because of a physical impairment should call the Division of Records and Reporting at 850-413-6770 at

least 48 hours prior to the meeting. Any person who is hearing or speech impaired should contact the Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

Emergency Cancellation of Customer Meeting

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.

PURPOSE

The purpose of the meeting is to give customers and other interested persons an opportunity to offer comments to the Commission staff regarding the quality of service the Utility provides and to ask questions, and comment on the rates included in this Notice as well as other issues. Commission staff will be available to address and coordinate customers' comments and to assist members of the public. A representative from the Utility may also be in attendance. At the beginning of the meeting, procedures will be established for the order of comments. Commission staff will have sign-up sheets, and customers will be called in the order that they sign up to speak.

HOW TO CONTACT THE COMMISSION

Any person who wishes to comment or provide information to Commission staff may do so at the meeting, either orally or in writing. Other written comments regarding the utility and the proposed rates, or requests to be placed on the mailing list for this case, may be directed to this address:

Director, Division of the Commission Clerk & Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

All correspondence should refer to "Docket No. 060255-SU, Tierra Verde Utilities, Inc.". Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Commission's toll-free facsimile line at 1-800-511-0809 or the Commission's website available at http://floridapsc.com/consumers/complaint/index.cfm.

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.

BACKGROUND

The Utility is a wastewater utility located in Pinellas County, Florida. As reported in its MFRs, the Utility's revenues per books are \$606,834, with operating expenses per books of \$644,824, resulting in a net loss of \$37,989 per books, before adjustments. The rate increase application has been filed by the Utility because of inadequate earnings.

Copies of the MFRs filed by the Utility can be reviewed at:

St. Petersburg Public Library Hours of Operation:

South Branch Monday, Wednesday, Friday and Saturday

2300 Roy Hanna Drive South 9:00 a.m. to 6:00 p.m.
St. Petersburg, Florida 33712 Tuesday and Thursday

9:00 a.m. to 9:00 p.m. Sunday (Closed)

Utilities, Inc. of Florida Office Hours: Monday through Friday

200 Weathersfield Avenue 8:00 a.m. to 4:30 p.m. Altamonte Springs, FL 32714

A copy of the "Rate Case Synopsis" is also available, along with the MFRs.

The test period for setting rates is the historical average twelve-month period ended December 31, 2005.

CURRENT AND PROPOSED RATES AND CHARGES

The current and proposed rates and charges are listed below. These rates are subject to change based on information gathered at the customer meeting, further Commission staff review, and the final decision by the Commissioners.

WASTEWATER SYSTEM

Residential Service

Class/Meter Size	Rates Prior to Filing	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim Rates
Flat Rate	\$66.42	\$78.21	\$89.48	\$78.21
Gallonage Charge	\$0.00	\$0.00	\$0.00	\$0.00

General Service

Class/Meter Size	Rates Prior to Filing	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim Rates
5/8" x 3/4"	\$33.43	\$39.36	\$45.04	\$39.36
1"	\$83.59	\$98.43	\$112.61	\$98.43
1 ½"	\$167.15	\$196.82	\$225.18	\$196.82
2"	\$267.45	\$314.92	\$360.30	\$314.92
3"	\$534.88	\$590.40	\$720.64	\$629.82
4"	\$835.74	\$984.08	\$1,125.89	\$984.08
6"	\$1,671.47	\$1,968.16	\$2,251.77	\$1,968.16
Gallonage Charge (per 1,000 gallons)	\$1.80	\$2.12	\$2.42	\$2.12

SERVICE AVAILABILITY CHARGES

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

MISCELLANEOUS SERVICE CHARGES

The Utility is requesting the following changes to its miscellaneous service charges.

Wastewater

Type of Charge	Present Charge		Requested Charge	
	During Business Hours	After Business Hours	During Business Hours	After Business Hours
Initial Connection	\$15.00	N/A	\$15.00	\$22.50
Normal Reconnection	\$15.00	N/A	\$15.00	\$22.50
Violation Reconnection	Actual Cost*	N/A	Actual Cost	Actual Cost
Premises Visit (in lieu of disconnection)	\$10.00	N/A	\$10.00	\$15.00

PROCEDURES AFTER CUSTOMER MEETINGS

In addition to the customer meeting described above, other important dates in the rate application are as follows:

Schedule Item	<u>Due Dates</u>
Staff Recommendation on Interim Rates	July 6, 2006
Agenda Conference on Interim Rates	July 18, 2006
Order on Interim Rates	August 7, 2006
Staff Audit Report	September 27, 2006
Customer Meeting	November 1, 2006
Staff's PAA Recommendation	December 27, 2006
Agenda Conference on PAA Rates	January 9, 2007
PAA Order Issued	January 29, 2007
Protest Period Expires	February 19, 2007

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