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REPLY TO CENTRAL FLORIDA OFFICE

December 27, 2007

CENTRAL FLORIDA OFFICE  
SANLANDO CENTER  
2180 W. STATE ROAD 434, SUITE 2118  
LONGWOOD, FLORIDA 32779  
(407) 830-6331  
FAX (407) 830-8522

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

RECEIVED-FPSC  
07 DEC 31 AM 9:30  
COMMISSION  
CLERK

Ann Cole, Commission Clerk  
Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

RE: Docket No.: 070415-WS; CHC VII, Ltd.'s Application for Staff Assisted Rate Case  
in Polk County, Florida  
Our File No.: 42035.01

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket are the original and fifteen (15) copies of the Notice of Filing the Affidavit of Mailing the Customer Notice to all customers of the utility on behalf of CHC VII, Ltd.

Should you have any questions regarding this filing, please do not hesitate to give me

a call.

CMP \_\_\_\_\_  
COM \_\_\_\_\_  
CTR \_\_\_\_\_  
ECR \_\_\_\_\_  
GCL 2 \_\_\_\_\_  
OPC \_\_\_\_\_  
RCA \_\_\_\_\_  
SCR \_\_\_\_\_  
SGA \_\_\_\_\_  
SEC \_\_\_\_\_  
OTH \_\_\_\_\_

Very truly yours,



MARTIN S. FRIEDMAN  
For the firm

cc: Mr. Ron Baxley (w/enclosures)

M:\1 ALTAMONTE\CHC VII, LTD (42035)\PSC Clerk 03 (NOF AOM Customer Notice).ltr.wpd

DOCUMENT NUMBER - DATE

11285 DEC 31 07

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Staff-  
Assisted Rate Case in Polk  
County by CHC VII, Ltd.

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Docket No.: 070415-WS

NOTICE OF FILING

Applicant, CHC VII, Ltd., by and through its undersigned attorneys, hereby gives notice of filing in the above-referenced docket the Affidavit of Mailing the Customer Notice to all customers of the utility.

Respectfully submitted this 27<sup>th</sup> day of  
December, 2007, by:

ROSE, SUNDSTROM & BENTLEY, LLP  
Sanlando Center  
2180 W. State Road 434  
Suite 2118  
Longwood, Florida 32779  
(407) 830-6331 Telephone  
(407) 830-8522 Facsimile  
Email: [mfriedman@rsbatttoneys.com](mailto:mfriedman@rsbatttoneys.com)

By:   
MARTIN S. FRIEDMAN

AFFIDAVIT OF MAILING

STATE OF FLORIDA

COUNTY OF POLK

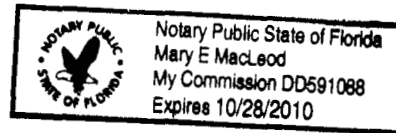
Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared RON BAXLEY, who, after being duly sworn on oath, did depose on oath and say that he/she is the VICE PRESIDENT of CHC VII, LTD., and that on December 21st, 2007, he/she did send by regular U.S. Mail, a copy of the Customer Notice, attached hereto, to all customers of the utility.

FURTHER AFFIANT SAYETH NAUGHT.

X [Signature]  
Print Name: RON BAXLEY  
Print Title: VICE PRESIDENT

Sworn to and subscribed before me this 21st day of December 2007, by RON BAXLEY, who is personally known to me or has produced \_\_\_\_\_ as identification.

Mary E. MacLeod  
Print Name: MARY E. MACLEOD  
NOTARY PUBLIC  
My Commission Expires:



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETINGS

TO THE CUSTOMERS OF CHC VII, LTD.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 070415-WS

APPLICATION OF CHC VII, LTD.

FOR A STAFF-ASSISTED RATE CASE IN

POLK COUNTY

Issued: December 21, 2007

Notice is hereby given that the staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of CHC VII, Ltd. (CHC or utility) for a staff-assisted rate case in Polk County. The meeting will be held at the following time and place:

5:00 p.m. – 8:30 p.m., Wednesday, January 9, 2008  
Chain of Lakes Complex – Poolside Room  
210 Cypress Gardens Blvd., West  
Winter Haven, FL 33880

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 the customers have been heard.

The Public Service Commission staff is also attempting to meet with representatives of customer groups and homeowners associations on January 9, 2008, between 2:00p.m. and 4:00p.m. at the Chain of Lakes Complex. If you are a representative of a customer group or homeowners association and you have not been contacted by the Public Service Commission staff, and wish to meet with staff, please contact Jared Deason at (850) 413-6844 of the Public Service Commission staff prior to January 7, 2008.

All persons who wish to participate in individual meetings are urged to make an appointment, since the individual meeting session may be canceled if no appointments are made.

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.

Any person requiring some accommodation at the customer meeting(s) because of a physical impairment should call the Office of Commission Clerk at (850)413-6770 at least five calendar days prior to the meeting(s). Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

### PURPOSE

The purpose of this meeting is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission Staff regarding the quality of service the utility provides, the proposed rate increase, and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will summarize CHC's proposed filing, the preliminary work accomplished, and answer questions to the extent possible. A representative from the utility has also been invited to respond to questions.

At the beginning of the meeting, procedures will be established for the order of comments. The Public Service Commission staff will have sign-up sheets, and customers will be called to speak in the order that they sign-up. Public Service Commission staff will be available to coordinate customers' comments and to assist members of the public.

Any person who wishes to comment or provide information to staff may do so at the meetings, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Public Service Commission's toll-free facsimile line at 1-800-511-0809.

### BACKGROUND

CHC VII, Ltd. (CHC) is a Class C water and wastewater utility located in Polk County serving approximately 880 water and wastewater customers in Swiss Golf & Tennis Club Mobile Home Park and Hidden Golf Club Mobile Home Park. CHC is located in the Southwest Florida Water Management District (SWFWMD). The utility's 2006 annual report reflects operating revenues of \$142,085 for water and \$83,134 for wastewater service and an operating loss of (\$206,217) for water and (\$281,549) for wastewater.

CHC has been under Commission jurisdiction since May 14, 1996, when Polk County transferred jurisdiction to the Public Service Commission (PSC). The utility began operations in

1986. On October 14, 1998, CHC applied for grandfather certificates to operate a water and wastewater utility in Polk County. Certificate Nos. 609-W and 525-S were granted to CHC VII, Ltd. in 1999. Prior to that time, the utility's operations were not regulated except for specific provisions contained in Chapter 723, Florida Statutes (F.S.), which governs the operation of mobile home parks in the State of Florida and the environmental requirements of the Florida Department of Environmental Protection (DEP) and the Polk County Health Department (PCHD). On July 16, 2007, CHC applied for a staff-assisted rate case (SARC). The utility has not previously been subject to a rate case.

Staff has audited CHC's records for compliance with Commission rules and orders, and examined all components necessary for rate setting. The staff engineer has also conducted a field investigation, which included a visual inspection of the water and wastewater facilities along with the service area. The Utility's operating expenses, maps, files, and rate application were also reviewed to determine reasonableness of maintenance expenses, regulatory compliance, CHC's plant in service, and quality of service. Staff has selected a historical test year ended December 31, 2006.

CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. These rates are preliminary and subject to change based on information gathered at the customer meeting, further staff review, and the final decision by the Commissioners. The utility's current and staff's preliminary rates and charges are as follows:

MONTHLY WATER RATES

<u>RESIDENTIAL AND GENERAL SERVICE</u>	<u>EXISTING RATES*</u>	<u>PRELIMINARY RECOMMENDED RATES</u>
<u>BASE FACILITY CHARGE:</u>		
Meter Size:		
5/8"X3/4"	\$15.71*	\$4.95
3/4"	\$23.57	\$7.43
1"	\$39.28	\$12.38
1-1/2"	\$78.55	\$24.75
2"	\$125.68	\$39.60
3"	\$251.36	\$79.20
4"	\$392.75	\$123.75
6"	\$785.50	\$247.50
* The existing base facility charge is for both water and wastewater service.		
<u>GALLONAGE CHARGE**:</u>		
PER 1,000 GALLONS (6,000 gallon cap)		\$1.49
8 - 10,000 gallons	\$1.31	
Over 8,000 gallons	\$2.09	

\*\* The existing base facility charge includes 8,000 gallons.

MONTHLY WASTEWATER RATES

	<u>EXISTING RATES*</u>	<u>PRELIMINARY RECOMMENDED RATES</u>
<u>RESIDENTIAL</u>		
BASE FACILITY CHARGE:		
Meter Size: All Meter Sizes	\$15.71*	\$4.12
* The existing base facility charge is for both water and wastewater service.		
GALLONAGE CHARGE**:		
PER 1,000 GALLONS (6,000 gallon cap)		\$1.77
8 - 10,000 gallons	\$1.31	
Over 8,000 gallons	\$2.09	
** The existing base facility charge includes 8,000 gallons.		
<u>GENERAL SERVICE</u>		
BASE FACILITY CHARGE:		
Meter Size:		
5/8"X3/4"		\$4.12
3/4"		\$6.18
1"		\$10.13
1-1/2"		\$20.60
2"		\$32.96
3"		\$65.92
4"		\$103.00
6"		\$206.00
GALLONAGE CHARGE:		
PER 1,000 GALLONS (6,000 gallon cap)		\$1.77

### STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated December 10, 2007. Copies of the report may be examined by interested members of the public from 8:00a.m. to 4:00p.m., Monday through Friday at the following location:

Swiss Golf and Tennis Club  
1 Century Drive  
Winter Haven, FL 33881

### PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, the Public Service Commission staff will prepare a recommendation which is scheduled to be submitted to the Public Service Commission on February 21, 2008. The Public Service Commission will then vote on staff's recommendation at its March 4, 2008 agenda conference. The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's final recommendation. Substantially affected persons have 21 days from the date the PAA order is issued to protest the Commission's proposed agency action order. Five to ten customers or persons who attend the meeting and who wish to receive a copy of the recommendation and the order should so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by requesting in writing to the Commission at the address at the end of this notice.

### HOW TO CONTACT THE COMMISSION

Written comments regarding the utility and the proposed rates, and requests to be placed on the mailing list for this case, may be directed to this address:

Director, Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

All correspondence should refer to "Docket No. 070415-WS, CHC VII, Ltd."

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.

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