



Florida Public Service Commission

SPECIAL REPORT

JULY 2004 NO. 7

Application for a Rate Increase in Lee County by

Utilities, Inc. of Eagle Ridge

Utilities, Inc. of Eagle Ridge (Eagle Ridge or utility) is a wastewater utility providing service to approximately 2,792 customers in Lee County. On May 12, 2004, Eagle Ridge officially filed an application for approval of interim and permanent rate increases with the Florida Public Service Commission (PSC or Commission).

The current rate case is being processed under the PSC's "Proposed Agency Action" (PAA) procedure. Under the PAA process, the case will not be set for a formal hearing unless a timely protest to the Commission's proposed agency action is filed.

As part of the process of evaluating Eagle Ridge's request, the PSC staff conducts a customer meeting to allow customers the opportunity to provide input into the rate setting process. Customer comments are an integral part of the process and will assist the Commissioners in reaching their decision.

The utility's records will be audited by PSC staff for compliance with the applicable rules and orders. In addition, a PSC staff engineer will conduct a field investigation of the utility's plant and service area. In accordance with Florida Statutes, the Commission will consider the utility's quality of service and other matters in this case.

The utility's requested final wastewater revenue increase is \$124,485 or 17.48%. On July 6, 2004, the Commission approved an interim revenue increase of \$62,666 or 8.80%. The interim rate increase is subject to refund, with interest, until after the Commission has completed its investigation.

PSC staff is scheduled to file its recommendation with the Commission on September 23, 2004, regarding the utility's final rates. The Commissioners are expected to vote on this matter at the October 5, 2004, Agenda Conference.

CUSTOMER MEETING

DOCKET NO. 030445-SU

Thursday, July 15, 2004

6:00 p.m.

Edison College

Building J, Corbin Auditorium, Room 103

8099 College Parkway

Fort Myers, Florida

PSC Staff and Reference Numbers

For technical questions, contact:

Tricia Merchant (850) 413-6918

Tiffany Joyce (850) 413-6877

For legal questions, contact:

Rosanne Gervasi (850) 413-6224

For general questions, contact:

Leroy Rasberry (850) 413-6119

Or call toll-free 1-800-342-3552

(1-800-511-0809 to fax)

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

Internet Home Page: www.floridapsc.com

W A S T E W A T E R

M O N T H L Y S E R V I C E R A T E S

	Rates as of 07/06/04	Utility Requested Interim	Utility Requested Final	Commission Approved Interim
Residential				
Base Facility Charge:				
All Meter Sizes	\$14.18	\$16.19	\$16.66	\$15.43
Gallonage Charge (per 1,000 gallons) (10,000 gallons maximum)	\$3.49	\$3.98	\$4.10	\$3.80
Cross Creek Flat Rate, per month per unit	\$13.69	\$15.63	\$16.09	\$14.90
General Service				
Base Facility Charge:				
Meter Sizes:				
5/8" x 3/4"	\$14.18	\$16.19	\$16.66	\$15.43
3/4"	\$21.27	\$24.28	\$25.00	\$23.15
1"	\$35.44	\$40.46	\$41.65	\$38.56
1-1/2"	\$70.87	\$80.90	\$83.28	\$77.12
2"	\$113.39	\$129.44	\$133.25	\$123.39
3"	\$226.80	\$258.91	\$266.52	\$246.80
4"	\$354.39	\$404.56	\$416.46	\$385.63
6"	\$708.80	\$809.14	\$832.94	\$771.29
Gallonage Charge (per 1,000 gallons)	\$3.49	\$4.16	\$4.10	\$3.80

Typical Residential Bills

5/8" x 3/4" Meter Size				
3,000 gallons	\$24.65	\$28.13	\$28.96	\$26.82
5,000 gallons	\$31.63	\$36.09	\$37.16	\$34.42
10,000 gallons	\$49.08	\$55.99	\$57.66	\$53.41

PSC COMMISSIONERS



Chairman Baez

Braulio L. Baez was appointed to the Florida Public Service Commission by Governor Jeb Bush on August 23, 2000, to complete a term ending January 2002. He was then reappointed by the Governor to a four year term ending January 2006. Prior to his appointment, Chairman Baez was an attorney in Miami, Florida, with a statewide practice representing municipal and county governments in telecommunications, cable franchising and other regulatory matters. He was Executive Assistant to Commissioner Joe Garcia from 1994 to 1998. A native of South Florida, Chairman Baez received his undergraduate degree from Florida International University in 1988, and his Juris Doctorate degree from Nova University, Shepard Broad Law Center, in 1993. Chairman Baez is a member of the National Association of Regulatory Utility Commissioners' Committees on Electricity and International Relations. He is Past-President of the Southeastern Association of Regulatory Utility Commissioners and has served on the North American Electric Reliability Council. A member of the Florida Bar, he is a past Director of the Hispanic Bar Association, 2nd Judicial District.

J. Terry Deason was first appointed to the Commission by the Florida Public Service Commission Nominating Council in January 1991 for a term ending in January 1995. He was subsequently reappointed by the late Governor Lawton Chiles for a term ending in January 1999. Commissioner Deason was then reappointed by Governor Jeb Bush to a term ending in January 2003, and to his current term which ends in January 2007. Commissioner Deason has served as Chairman of the Commission on two occasions, from January 1993 to January 1995, and from July 2000 to January 2001. Commissioner Deason is an active member of the National Association of Regulatory Utility Commissioners (NARUC). He currently serves on NARUC's Board of Directors, its Finance and Technology Committee, and the Federal/State Joint Conference on Accounting. Commissioner Deason also serves on the executive committee for the Nuclear Waste Strategy Coalition. Prior to his appointment, he served as Chief Regulatory Analyst in the Office of Public Counsel. In that capacity, he was responsible for the coordination of accounting and financial analysis used by the Public Counsel in cases before the Public Service Commission, presented testimony as an expert witness, and consulted with the Public Counsel on technical issues and ratemaking policies concerning regulated utilities in the State of Florida. From 1981 to 1987, Commissioner Deason served as Executive Assistant to PSC Commissioner Gerald L. Gunter, during which time he reviewed and analyzed staff recommendations and advised the Commissioner on those recommendations and other pertinent policy determinations. From 1977 to 1981, he served as a Legislative Analyst with the Office of Public Counsel. He attended the U.S. Military Academy at West Point, and in 1975 received his bachelor of science degree in accounting, summa cum laude, from Florida State University. He also received his master of accounting degree from FSU in 1989.



Commissioner Deason

Lila A. Jaber was appointed to the Florida Public Service Commission by Governor Jeb Bush in February 2000 to complete a term ending January 2001. She was reappointed by Governor Jeb Bush for a term ending in January 2005. Commissioner Jaber served as Chairman of the Florida Public Service Commission from January 2002 through January 5, 2004. As a Commissioner, she also serves as Vice Chair of the NARUC (National Association of Regulatory Utility Commissioners) Committee on Telecommunications and is a member of the NARUC Committee on Consumer Affairs. In July 2001, she was appointed by the Federal Communications Commission (FCC) to the Federal-State Joint Board on Universal Service which was created to promote the availability and access to quality telecommunications services throughout the Nation. Commissioner Jaber has served as chair of the Federal-State Joint Conference on Advanced Services (706 Joint Conference) created by the FCC to promote the rapid deployment of advanced services to all Americans. She has also served as co-chair of the e-Infrastructure Subcommittee for the Florida Information Service Technology Development Task Force (ITFlorida.com), and is currently an ex-officio member of the Florida Research Consortium, the affiliate of ITFlorida.com, created as a partnership between Florida's universities and technology sectors to focus on high-tech research and development. Prior to serving on the Florida Public Service Commission, Commissioner Jaber was a bureau chief in the Commission's Division of Legal Services for water and wastewater, where she implemented law and policy in the regulation of more than 1,500 water and wastewater facilities, and subsequently, became the Executive Assistant to Commissioner Julia L. Johnson. Commissioner Jaber, a court-certified mediator and a member of the Florida Bar, received a bachelor of arts degree in political science and business from Stetson University in DeLand, Florida, and received a juris doctorate from the Stetson University College of Law in St. Petersburg, Florida.



Commissioner Jaber

Rudolph (Rudy) Bradley was appointed to the Florida Public Service Commission by Governor Jeb Bush for a four year term beginning January 8, 2002. Commissioner Bradley serves on the National Association of Regulatory Utility Commissioners' Committees on Consumer Affairs, Water, and International Relations. He is also a member of the Energy Market Access Partnership Board which is a joint project between the Department of Energy and the National Association of Regulatory Utility Commissioners. Prior to his appointment to the Commission, Commissioner Bradley served as a member of the Florida Legislature for seven years representing District 55 which includes Pinellas, Manatee and Hillsborough Counties. As a member of the Legislature, he served as the Vice Chairman of the Utilities and Telecommunications Committee and as the Chairman of the Select Committee on Energy Restructuring. Commissioner Bradley also served as the Chairman of the Business Development and International Trade Committee and Chairman of the Economic Development Council. As a legislator, Commissioner Bradley maintained a special interest in improving Florida's educational system and expanding business opportunities for all citizens. Commissioner Bradley earned his Bachelor of Science Degree from the University of Tampa and his Masters Degree from the University of Michigan. He served as an educator in Pinellas County for several years and he developed several private enterprises involving real estate and livestock.



Commissioner Bradley

Following the unanimous recommendation of the PSC Nominating Council, Governor Jeb Bush appointed **Charles Davidson** to the Florida Public Service Commission for a four-year term ending January 2007. Commissioner Davidson relocated from New York to Florida in 2000 to serve in the Office of Governor Bush, as the Executive Director of Florida's Information Technology Taskforce. In that role, he was responsible for developing public policies to help ensure that Florida maintains progressive economic development processes and rational regulatory regimes. In 2001, Davidson was recruited by the Florida House of Representatives to launch the state's first Committee on Information Technology. He currently serves *ex officio* as a member of the board of directors of ITFlorida, a statewide not-for-profit organization that is focused on developing sound technology-related public policies. From 1993 to 1999, Commissioner Davidson was an attorney resident in the New York Office of Baker & McKenzie, the world's largest law firm. In 1999, he joined the New York Office of Duane Morris with other attorneys from Baker & McKenzie to form a new international dispute resolution practice group. While in private practice, Davidson was responsible for an array of regulatory, commercial, international, and technology matters in the United States and abroad. His work included multi-jurisdiction antitrust disputes, compliance proceedings before the Department of Justice and the Securities & Exchange Commission, complex commercial dispute resolution, and international technology disputes. His work also included international commercial claims against the Government of Iran before the Iran-United States Claims Tribunal and claims against the Government of Iraq before the United Nations Compensation Commission. Commissioner Davidson has handled an array of domestic and international arbitrations and mediations. While in New York, Davidson served as Special Professor of Law at Hofstra University School of Law. Commissioner Davidson speaks frequently on technology and public policy issues. Recently, Commissioner Davidson testified before Congress on the regulatory treatment that should be afforded broadband technologies. Commissioner Davidson also recently testified before the FCC on the regulatory issues impacting and impacted by Voice over Internet Protocol (VoIP). A Phi Beta Kappa graduate, Commissioner Davidson holds a Masters of Law in Trade Regulation from New York University. He also holds a Masters in International Business from Columbia University. Davidson received his baccalaureate and juris doctorate degrees from the University of Florida, where he served as a fellowship instructor at the College of Law.



Commissioner Davidson

Consumer Statements at PSC Meetings

The Commissioners are interested in what consumers have to say about the application for a rate increase by Utilities, Inc. of Eagle Ridge in Lee County. The main purpose of this meeting is to receive comments from the public.

Anyone may make a statement, and speaking is an effective way to let the Commissioners know how you feel about the case under review. Those consumers who wish to speak should arrive early. The meeting will begin as scheduled and continue until all the consumers have been heard.

At the beginning of the meeting, procedures will be set up to establish an order for comments. PSC staff will have sign-up sheets, and consumers will be called in the order of those sheets. PSC staff will be available to coordinate consumer comments and assist members of the public.

Any person who wishes to comment or provide information to the PSC staff, orally or in writing, may do so at the meeting. Written comments also may be sent to: Florida Public Service Commission, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. Letters will be placed in the correspondence file of this docket (Docket No. 030445-SU). Although a comment form is attached to this Special Report, consumers may also call the PSC's toll-free number, **1-800-342-3552**, or dial **1-800-511-0809** to fax.

Any person who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by writing to: Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

Florida Public Service Commission

2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

The Public Service Commission provides a staff of information specialists who are available to answer questions from Florida consumers.

To reach a consumer representative, please call the Public Service Commission during business hours at **1-800-342-3552**, or send a fax to 1-800-511-0809. See the PSC's Internet home page at www.floridapsc.com.

STAMP

Florida Public Service Commission
Division of the Commission Clerk and Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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