



# Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

**DATE:** February 16, 1993

**TO:** Steve Tribble, Director of Records and Reporting

**FROM:** Charles Rehwinkel  
Assistant to Commissioner Deason

**RE:** Intercepted Communication From an Interested Party Received in  
Docket 920199.

This office has received the following correspondence. The correspondence has not been viewed or considered in any way by Commissioner Deason. Under the terms of the advisory opinion from the Commission on Ethics (issued July 24, 1991 as CEO 91-31-July 19, 1991), the following letter does not constitute an ex parte communication by virtue of the fact that it was not shown to the Commissioner. Because it is not deemed to be an ex parte communication, it does not require dissemination to parties pursuant to the provisions of Section 350.042, Fla. Statutes. However; in such cases Commissioner Deason has requested that a copy of the correspondence and this memo be, as a matter of routine, placed in the correspondence side of the file in this docket.

CJR/gs

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAP \_\_\_\_\_
- CMR \_\_\_\_\_
- CPR \_\_\_\_\_
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- RCH \_\_\_\_\_
- SEC   1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

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01799-93

DOCUMENT NUMBER-DATE

01799-558-78

## Citrus Park Homeowners Association

4041 S. E. 21 Court  
Ocala, Florida 34480

February 10 , 1993

Fax: 904 487 0509  
Public Service Commission  
101 East Gaines Street  
Tallahassee, Fl. 32399-0851  
Terry Deason Chairman

Subject: SSU Rate increase case Docket 920199 WS

Dear Mr. Chairman:

We the people of Citrus Park are very concerned over the effects of SSU's actions and requests. Therefore we have some questions which have not been answered. Please assist us in our concerns.

1. Notice from SSU dated Sept. 28, 1992, which the customers received week of Oct. 19, 1992. ON the back side it shows the present rates, which were the interim rate, which were denied July 1992 by the PSC. Therefore this is very confusing to the customers, they think they are only receiving a small rate increase, when the increase is actually a very large exhorbitant one. In actuality the comparison should be to the prior to 1990 rates. This is extremely deceiving. The interim rates they were comparing to were denied in July 1992. If the people would present this type of information, I believe we would be accused of Fraud. How can SSU be allowed to deceive the public like this??????
2. It becomes vary difficult to understand the PSC's decision making. On July 1992 the PSC denied the rate increase request of 1990. The PSC obviously denied this exhorbitant increase request for grounds of not deserving or not justifiable. How can the PSC again consider another request such as this? Is there something we have not been made aware of?
3. Could this be a process of wearing down the customer, to the point the Customer no longer cares?
4. We have researched the Citrus Park Utility Operation. Since SSU did make us a offer to sell the Utility to either the Association or the City. We had professionals advise us. With an annual Gross Receipt of \$291,000 (as per SSU's Figures) the net outcome should be over \$300,000. This is a real fine return on the little money they invested and added after they purchased it. I would assume this may just be an exhorbitant income for a Monopoly Utility. I would assume the PSC would take this into consideration.
5. Lets back up to the 1990 rate request, which was denied by the PSC July 1992. The interim rate difference was supposed to be placed in ESCROW.
  - a. Who was this money in escrow with?
  - b. If this was in escrow, how could SSU refund this money which they did not have?

This is confusing us all.

Karl Neufeld Pres., Robin Tropeano Secretary Treasurer Telephone (904) 629 0816  
Fax : 904 732 6180

We wonder, since there are so many un-answered questions in this SSU Case, or cases, should a special investigation be called.

SSU has been telling us, they are not making any money in this operation. They have been telling us they are expecting at least 11%. I believe you will find most Public Corporations such as Minnesota Power and Electric normally do not allow their subsidiary to show to much profit. They generally call most excess moneys into the Parent, as services rendered, to make the Parent Corporation look good for Stock sales. We were told by SSU the Parent Corporation has rendered services to the tune of 1.7 Million Dollars.

We would think the PSC would approve request on the basis of comparison to other Utilities in the Area, instead of Profit. Costs are the Utilities Responsibility, no concern of the PSC.

We are concerned Good Florida Citizens. Properties in this area are being foreclosed because of the exhorbitant Water and Sewer Rates. Several Rental Properties have already been foreclosed. Its almost impossible to rent the property because of the SSU Rates.

As Realtors have written you also, they and the Mortgage holders are very concerned.

SSU tells us they have too many delinquent accounts, We would assume so. People move into the area serviced by SSU, they stay until the deposit is absorbed, after which they stay until they are evicted leaving a large delinquent Water and Sewer account which they will never pay. This obviously is common with exhorbitant rates such as this.

PLEASE help us by denying the SSU request for rate increase.

Sincerely,



P.S. What makes this rate increase request different than the 1990 request which was denied?

PLEASE Commissioners, Consider us customers and property owners, We need your consideration badly. If this increase is approved, it will place a unnecessary burden on Marion County when the County must buy this system from SSU, which is in the Land Comp Plan. Obviously the price of the System will be determined by the income of the system, and Minnesota Power and Electric knows this very well. As I stated previously, the Income of Citrus Park System is Astronomical with this increase request.