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September 5, 1995

Marshall W. Willis, Chief
Bureau of Economic Regulation
Division of Water and Wastewater
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

HAND DELIVER

Re: Docket No. 950387-SU
Application for a rate increase
for North Ft. Myers Division in
Lee County by Florida Cities
Water Company

Dear Mr. Willis:

Enclosed herewith is Florida Cities Water Company's responses to customer testimony regarding wastewater service. Please note that this is submitted on the September 5, 1995 due date to which you, Mr. Jaeger and I agreed on August 15, 1995, the date on which the transcript first became available to us.

As you are aware, Florida Cities has previously met with customer groups to discuss the need for this rate case and to answer questions. Beginning immediately after the Commission's own customer meeting, Florida Cities has offered to meet with the customers to further discuss their concerns. Mr. Phinney and Ms. Walla, on behalf of the Residents Action Group of North Ft. Myers, have declined the invitations.

This letter will further acknowledge your request for responses to customer testimony regarding water service. Although this is a wastewater rate case, we have agreed to look into those water service concerns. Florida Cities' efforts in that regard are

DOCUMENT NUMBER-DATE

08667 SEP-5 95

FPSC-RECORDS/REPORTING

Marshall W. Willis

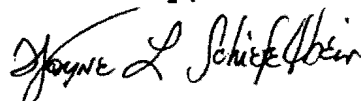
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September 5, 1995

currently underway and our responses are expected to be available to you within the coming week.

Thank you for your attention.

Sincerely,

A handwritten signature in cursive script that reads "Wayne L. Schiefelbein".

Wayne L. Schiefelbein

cc w/encl: Ralph R. Jaeger, Esq., Division of Legal Services
Division of Records and Reporting

WLS/jhg

**Florida Cities Water Company
(FCWC)
Responses to Customer Statements made during the
Florida Public Service Commission
(FPSC)
Customer Meeting
July 26, 1995**

1. Meter reading

<u>Statement(s) From:</u>	<u>FPSC Customer Meeting Transcript Page No.:</u>
Mr. Crouch	22
Ms. Ebie	118

FCWC Response:

Florida Cities has employed the services of a contractor to perform meter reading. In July, it was discovered that a few routes in North Fort Myers that had been assigned to the contractor were estimated rather than read. FCWC personnel were immediately assigned to reread these routes. In addition, FCWC notified the affected customers only, via letter. Customers in the affected area were offered a payment plan if their August bill was higher than normal. (A copy of the letter is attached.) To date, two (2) customers have contacted FCWC requesting the extended payment terms.

FCWC has taken the following corrective actions to prevent this from reoccurring:

- The routes in North Fort Myers are now read by FCWC personnel only.
- In areas where FCWC continues to employ the services of the contractor, the routes are spot checked and carefully monitored by FCWC personnel.

The contractor is not affiliated with FCWC in any way. Employees of the contractor are that firm's sole responsibility. FCWC provides no direct supervision of the contractor's employees. Under no circumstance does FCWC influence or control the hiring practices of any contracted firm.

2. Plant Odor

<u>Statement(s) From:</u>	<u>FPSC Customer Meeting Transcript Page No.:</u>
Mr. Phinney	54
Ms. Victor	82
Ms. Walla	87
Mr. Green	122

FCWC Response:

FCWC has received relatively few complaints about odors emanating from the Waterway Estates Advanced Wastewater Treatment Plant (AWTP). Potential odor causing areas at the plant are the flow equalization tank and the aerobic digester. FCWC has taken the following steps to further control odors:

- Construction modifications are expected to be complete within three months, including modifications to the equalization tank. These modifications will reduce the level of odors emitted from the tank.
- Lime which is used for sludge stabilization at the plant creates odors. In an effort to reduce the impact of any odor from this process, lime stabilization generally takes place between 8:00 PM and 10:00 PM and residuals are hauled early the next morning.

3. Plant Noise

Statement(s) From:
Ms. Victor

FPSC Customer Meeting
Transcript Page No.:
83

FCWC Response:

Blowers are run continuously at the Waterway Estates AWTP for process control. The blowers are noisy and, even with the doors to the blower room closed, can cause noise which may be objectionable to our neighbors. Construction modifications will reduce the need to operate some blowers to approximately 1.5 hours per day. Construction is currently underway and is expected to be complete within three months.

The only remaining source of noise is the plant's generator which is required by FCWC's Emergency Operating Protocol and environmental regulations. Per these standards the generator must be run for one hour each week and four hours once per month. Discretion is used on timing the generator load tests to minimize the effect on the surrounding neighbors.

4. Plant Operations

Statement(s) From:
Mr. Phinney

FPSC Customer Meeting
Transcript Page No.:
52

FCWC Response:

All construction underway at the plant is directly related to the expansion and associated requirements. There are no problems resulting from the 1992 expansion that require correction.

5. Ultraviolet Treatment Method

Statement(s) From:
Mr. Phinney
Mr. Green

FPSC Customer Meeting
Transcript Page No.:
52
121

FCWC Response:

Given the constraints of the plant site, ultraviolet treatment is the most cost effective method of disinfection available. The additional facilities required for chemical disinfection would have required the acquisition of additional land. FCWC did investigate the purchase of an adjacent parcel of land that had become available. However, the cost was prohibitive.

6. Reuse Capacity of Golf Course

<u>Statement(s) From:</u>	<u>FPSC Customer Meeting Transcript Page No.:</u>
Mr. Weddle	101
Mr. Green	120

FCWC Response:

According to the Florida Department of Environmental Protection (FDEP) accepted Reuse Master Plan, Lochmoor Country Club has the ability to accept an average of approximately 300,000 gallons of reuse water per day. This is based on the country club's need to irrigate 81 acres at an average rate of 0.96 inches per week. The South Florida Water Management District reported that in 1994, Lochmoor withdrew approximately 260,000 gallons of water per day and in prior years have used as much as 330,000 gallons per day.

During periods of heavy precipitation and ground storage, golf course irrigation will decrease or cease for varying periods of time. Under those circumstances, the treated effluent will be discharged into the Caloosahatchee River in accordance with the FDEP permit.

7. Health Aspects of "Greywater"

<u>Statement(s) From:</u>	<u>FPSC Customer Meeting Transcript Page No.:</u>
Mr. Smith	146

FCWC Response:

The reclaimed water that will be provided to Lochmoor Country Club is highly treated effluent which has been disinfected to meet all state and federal standards. In addition, according to recent monitoring data, the quality of reclaimed water produced by FCWC is better than the groundwater currently used for irrigation.

8. Initial Hookup

<u>Statement(s) From:</u>	<u>FPSC Customer Meeting Transcript Page No.:</u>
Mr. Conrod	180

FCWC Response:

The sewer mains within Mr. Conrod's development were installed improperly by the developer. When Mr. Conrod's home was ready for connection to the sewer system it was determined that the connection was located ten feet away from his property line. The developer was no longer on site; therefore, as a service to Mr. Conrod, FCWC relocated the tap at no charge to him.

9. Billing Amount Inquiries

Statement(s) From:
Ms. Morrow

FPSC Customer Meeting
Transcript Page No.:
69

FCWC Response:

Ms. Morrow's bill reflected FCWC's base facility charge for water and wastewater service. This charge is in accordance with the current FPSC approved water and wastewater tariffs for North Fort Myers.

The base facility charge is a flat rate, regardless of the amount of water used. It covers the fixed expenses associated with the operations and maintenance costs for providing water and wastewater service to homes and businesses within the Company's certificated service area.

10. Clean Water Act

Statement(s) From:
Mr. Phinney

FPSC Customer Meeting
Transcript Page No.:
46

FCWC Response:

There is no connection between FCWC's ongoing litigation with the USEPA and this rate case for North Fort Myers. No litigation expenses from the USEPA case will be included in the rates resulting from this application.

1. EPA filed a civil action against FCWC on October 1, 1993.
2. The complaint alleges that FCWC's wastewater treatment plant in North Fort Myers violated the Clean Water Act pertaining to the discharge of finished water. FCWC is vigorously contesting the case.

FLORIDA CITIES WATER COMPANY

July 13, 1995

Dear Customer:

I am writing to inform you of a meter reading error which effects your water and wastewater bill for July. Florida Cities has reread your meter today and you will receive a corrected bill in August.

Due to this error your bill may be lower or higher in August, based on the corrected meter reading. In the case of a higher bill, Florida Cities will offer the following extended payment plan.

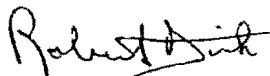
PAYMENT PLAN

Customers within the affected meter reading route, may enter into the following payment arrangement plan. Any additional charges incurred, due to the meter reading error, may be paid in two monthly installments, half with your August bill and half in September.

In order to enter into this arrangement you must call our customer service department at 813-936-0247. A customer service representative will duly note your account.

Please be assured that Florida Cities has taken the necessary steps to ensure that this mistake in meter reading will not reoccur. On behalf of the Company, I offer our sincere apology for any inconvenience this may have caused you. If I can provide further assistance please do not hesitate to contact me at 936-0247.

Sincerely,



Robert Dick
Division Manager