

ORIGINAL
FILE COPY

MEMORANDUM

May 15, 1996

TO: DIVISION OF RECORDS AND REPORTING
FROM: DIVISION OF LEGAL SERVICES (AGARWAL) ^{PA}
RE: DOCKET NO. 951591-SU - Application of Colony Park
Utilities, Inc. for a Staff-Assisted Rate Case in Brevard
County.

Please file the attached letter in the above referenced docket.

RA/dp

Attachment

cc: Division of Water and Wastewater (Casey, Bethea, Edwards)

ACK _____
AFA _____
APP _____
CAF _____
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CTR _____
EAG _____
LEG _____
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SEC 1 _____
WAS _____
TTH _____

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

JOHN K. MCPHERSON
Attorney at Law

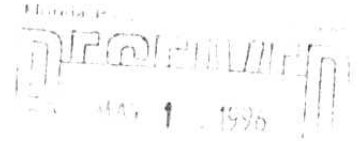
Phone: (352) 338-9162

703 North Main Street, Suite C
Gainesville FL 32601

Fax: (352) 375-9162

May 14, 1996

Raj Agarwal, Esq.
Staff Counsel
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Blvd
Tallahassee FL 32399-0850



LEGAL DIVISION


RE: Docket No. 951591-SU, Application of Colony Park Utilities, Inc. for a staff assisted rate case in Brevard County

Dear Mr. Agarwal:

Pursuant to the instructions in your letter dated May 2, 1996, I have enclosed a dated copy of the notice of the customer meeting which I today mailed to each customer of Colony Park Utilities, Inc. I have also forwarded copies of the engineering and accounting report to the utility office at 32 Mangrove Drive, Merritt Island.

Thank you for your assistance. Please let me know if there is anything further I need to do between now and the meeting on June 4.

Sincerely,



John K. McPherson
Attorney at Law

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF

COLONY PARK UTILITIES, INC.

AND

ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 951591-SU

APPLICATION OF COLONY PARK UTILITIES, INC. FOR A
STAFF-ASSISTED RATE CASE IN BREVARD COUNTY.

DATED: 5/14/96

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of Colony Park Utilities, Inc. for a staff-assisted rate case in Brevard County. The meeting will be held at the following time and place:

7:00 p.m., Tuesday, June 4, 1996
Kiwanis Island Annex
Brevard County Parks & Recreation Department
950 Kiwanis Park Road
Merritt Island, Florida 32953

All persons who wish to testify are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present.

Any person requiring some accommodation at this hearing, meeting, etc. because of a physical impairment should call the Division of Records and Reporting at (904) 413-6770 at least five calendar days prior to the hearing, meeting, etc. If you are hearing or speech impaired, please contact the Florida Public Service Commission 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 sworn testimony regarding the quality of service the utility provides and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will answer questions to the extent possible. A representative from the utility has also been invited to respond to questions.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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COLONY PARK UTILITIES, INC.

AND

ALL OTHER INTERESTED PERSONS

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Any person who wishes to comment or provide information to staff may do so at the meeting, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice.

BACKGROUND

Colony Park Utilities, Inc. is a Class C wastewater only utility located in Brevard County. It provides service to approximately 301 wastewater customers.

The test period for setting rates is the historical average twelve month period ending December 31, 1995. According to the staff audit and preliminary analysis, the utility's test year revenues were \$35,628. Test year operating expenses were \$46,673. The resulting net loss is (\$11,045).

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 for staff's recommendation are as follows:

MONTHLY WASTEWATER RATES
Residential Service

<u>Base Facility Charge</u>	<u>Utility's Monthly Existing Rates</u>	<u>Staff's Monthly Preliminary Rates</u>
<u>Meter Sizes:</u>		
5/8" x 3/4"	\$ 3.64	\$ 6.44
1"	3.64	16.09
1 1/2"	3.64	32.18
2"	3.64	51.49
3"	3.64	102.99
4"	3.64	160.92
6"	3.64	321.84
 <u>Gallonge Charge</u>		
Per 1,000 Gallons (10,000 gallon maximum)	\$ 1.10	\$ 1.81

MONTHLY WASTEWATER RATES
General Service

<u>Base Facility Charge</u>	<u>Utility's Monthly Existing Rates</u>	<u>Staff's Monthly Preliminary Rates</u>
<u>Meter Sizes:</u>		
5/8" x 3/4"	\$ 3.64	\$ 6.44
1"	8.15	16.09
1 1/2"	15.66	32.18
2"	24.68	51.49
3"	N/A	102.99
4"	N/A	160.92
6"	N/A	321.84
 <u>Gallonge Charge</u>		
Per 1,000 Gallons (No maximum)	\$ 1.47	\$ 2.17

MONTHLY WASTEWATER RATES
SPECIAL TARIFF APPLICABLE ONLY TO COLONY PARK MOBILE HOME PARK

<u>Base Facility Charge</u>	<u>Utility's Monthly Existing Rates</u>	<u>Staff's Monthly Preliminary Rates</u>
	\$ 440.50	\$ 966.00
 <u>Gallonge Charge</u>		
Per 1,000 Gallons (1,500,000 gallon maximum)	\$ 1.22	\$ 1.81

Using the average 151 test year residential wastewater customers other than the rental park, with an average wastewater usage of 4,388 gal/mon per customer, an average residential monthly wastewater bill comparison would be as follows:

	<u>Existing Monthly Bill</u>	<u>Recommended Monthly Bill</u>	<u>Percent Increase</u>
Base Facility Charge	\$ 3.64	\$ 6.44	
Gallonge Charge	\$ 5.35	\$ 7.94	
Total	\$ 8.99	\$ 14.38	59.96%

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in an accounting report dated April 26, 1996, and an engineering report dated March 22, 1996. Copies of the reports may be examined by interested members of the public at the Colony Park Utilities, Inc. office located at 32 Mangrove Drive, Merritt Island, Florida 32953. If you would like to review the reports, you may call (407)-783-2843 or (407)453-1400 to arrange a time.

PROCEDURES AFTER CUSTOMER MEETING

After the meeting, staff will prepare and submit a recommendation to the Commission. The Commission will thereafter issue a proposed agency action order containing rates which may be different from those contained in staff's final recommendation. Five to ten customers or persons who attend the meeting and who wish to receive a copy of the recommendation and the order may so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers and interested persons. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by 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, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

All correspondence should refer to "Docket No. 951591-SU - Application of Colony Park Utilities, Inc. for a staff-assisted rate case in Brevard County."

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Affairs 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.