

State of Florida

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DIVISION OF LEGAL SERVICES  
NOREEN S. DAVIS  
DIRECTOR  
(904) 413-6199

Public Service Commission

June 13, 1996

Mr. F. Marshall Deterding, Esquire  
Rose, Sundstrom & Bentley  
2548 Blairstone Pines Drive  
Tallahassee, Florida 32301

Re: Docket No. 960132-WS - Application for staff-assisted rate case in Broward County by MHC-DeAnza Financing Limited Partnership d/b/a Colonies Water Company

Dear Mr. Deterding:

This will confirm that Commission Staff will hold a customer meeting at 7:00 p.m. on Wednesday, July 10, 1996. The location of the meeting will be the Sports Center, located at 6500 Colonial Drive, Margate, Florida. We ask that, if at all possible, you or another knowledgeable representative of the utility attend the meeting in order to answer customer questions.

The original customer meeting notice is enclosed. Please note that the date has been left blank so that you can fill in the date that the notice is sent to the customers. The customers must have at least fourteen days' notice of the meeting, calculated from the day that they receive the notice. Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

Two copies of the engineering report dated May 24, 1996, and the accounting report dated June 10, 1996 will be submitted under separate cover. Please ensure that a copy of the complete Application for Staff Assistance and the reports are available for review by all interested persons at the utility's office located at 6603 Colonial Drive, Margate, Florida, during its regular hours (9:00 a.m. to 4:00 p.m.) Monday through Friday.

ACK \_\_\_\_\_  
AFA \_\_\_\_\_  
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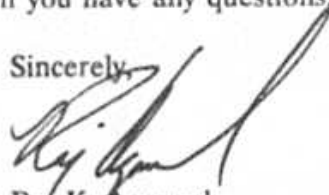
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Mr. F. Marshall Deterding  
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Please do not hesitate to call me if you have any questions.

Sincerely,



Raj K. Agarwal  
Staff Counsel

RKA/dp

Enclosures

cc: Office of Public Counsel  
Division of Consumer Affairs  
Division of Records and Reporting  
Division of Water and Wastewater (Dewberry, Davis)  
Hearing Reporter  
Public Information

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF

MCH-DEANZA FINANCING LIMITED PARTNERSHIP  
D/B/A COLONIES WATER COMPANY

AND

ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 960132-WS

APPLICATION FOR STAFF-ASSISTED RATE CASE IN  
BROWARD COUNTY BY MCH-DEANZA FINANCING LIMITED  
PARTNERSHIP D/B/A COLONIES WATER COMPANY

DATED: \_\_\_\_\_

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of MCH-DeAnza Financing Limited Partnership d/b/a Colonies Water Company for a staff-assisted rate case in Broward County. The meeting will be held at the following time and place:

7:00 p.m., Wednesday, July 10, 1996  
Sports Center  
6500 Colonial Drive  
Margate, Florida

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 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. 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 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.

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

Colonies Water Company, is a Class C water and wastewater utility located in Broward County. It provides water and wastewater service to approximately 818 residential customers and 4 general service customers. The test period for setting rates is the historical average twelve month period ended December 3, 1995.

Staff's adjusted test year revenues are \$118,765 for water and \$111,181 for wastewater. The operating expenses are \$108,417 for water and \$147,302 for wastewater. This results in a net operating loss of \$36,121 for wastewater. Even though the utility earned income from its water system, the income does not provide the adequate level required to allow the utility to earn the appropriate return on its investment.

#### 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:

#### WATER

#### MONTHLY RATES

#### RESIDENTIAL AND GENERAL SERVICE

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Current</u> <u>Rates</u>	<u>Staff's</u> <u>Preliminary</u> <u>Rates</u>
5/8" x 3/4"	\$ 4.80	\$ 6.59
3/4"	7.20	9.89
1"	12.00	16.47
1 1/2"	24.00	32.94
2"	38.41	52.70
3"	76.83	105.40
4"	120.04	164.69
6"	240.09	329.39

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<u>Gallonge Charge</u>		
Per 1,000 gallons	\$ 2.55	\$ 2.22

WASTEWATER

MONTHLY RATES

RESIDENTIAL SERVICE

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Current</u> <u>Rates</u>	<u>Staff's</u> <u>Preliminary</u> <u>Rates</u>
All Sizes	\$ 4.72	\$ 13.06
<u>Gallonge Charge</u> (1,000 gallons maximum)	\$ 2.26	\$ 1.33

GENERAL SERVICE

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Current</u> <u>Rates</u>	<u>Staff's</u> <u>Preliminary</u> <u>Rates</u>
5/8" x 3/4"	\$ 4.72	\$ 13.06
3/4"	7.08	19.59
1"	11.79	32.65
1 1/2"	23.58	65.29
2"	37.72	104.46
3"	75.45	208.93
4"	117.88	326.45
6"	235.76	652.90
<u>Gallonge Charge</u> Per 1,000 gallons	\$ 2.71	\$ 1.60

MISCELLANEOUS SERVICE CHARGES

No change has been recommended for the utility's existing miscellaneous serve charges.

SERVICE AVAILABILITY CHARGES

The utility's tariff does not contain a service availability charge. The service area is built-out and there are no plans for plant expansion. Therefore, Staff will not recommend a service availability fee.

STAFF REPORTS AND UTILITY APPLICATION

The results of Staff's preliminary investigation are contained in an accounting report dated June 10, 1996, and in an engineering report dated May 24, 1996. Copies of the reports may be examined by interested members of the public from 9:00 a.m. through 4:00 p.m. Monday through Friday at Sports Center, 6500 Colonial Drive, Margate, Florida.

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  
2530 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0870

All correspondence should refer to "Docket No. 960132-WS - Application of MHC-DeAnza Financing Limited Partnership d/b/a Colonies Water Company for staff-assisted rate case in Broward 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.

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