

State of Florida

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

Public Service Commission

June 19, 1996

Mr. Richard Peterson, Sr.
Holmes Creek Water Utilities
4930 Sugar Doll Road
Vernon, Florida 32462

Re: Docket No. 960145-WU - Application for staff-assisted rate case in Washington County by Holmes Creek Water Utilities

Dear Mr. Peterson:

This will confirm that the Commission Staff will hold a customer meeting at 6:00 p.m. on Wednesday, July 24, 1996. The meeting will be located at Ebro City Hall, 6629 Dogtrack Road, Ebro, 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 April 30, 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 Ebro City Hall located at 6629 Dogtrack Road, Ebro, Florida, during its regular hours (8:00 a.m. to 1:00 p.m.) Monday through Friday.

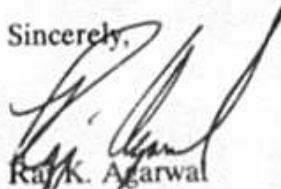
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Mr. Richard Peterson, Sr.
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Please do not hesitate to call me if you have any questions.

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 (Bethea, Kemp)
Hearing Reporter
Public Information

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING
TO THE CUSTOMERS OF
HOLMES CREEK WATER UTILITIES
AND
ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 960145-WU

APPLICATION FOR STAFF-ASSISTED RATE CASE IN
WASHINGTON COUNTY BY HOLMES CREEK WATER UTILITIES

DATED: _____

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

6:00 p.m., Wednesday, July 24, 1996
Ebro City Hall
6629 Dogtrack Road
Ebro, 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

Holmes Creek Water Utilities is a Class C water utility located in Washington County. It provides water service to approximately 82 residential and seasonal customers.

The test period for setting rates is the historical average twelve month period ended December 31, 1995. According to the Staff audit and preliminary analysis, the utility's test year revenues are \$7,133. The test year operating expenses were \$11,809. This results in a net operating loss of \$4,676.

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

<u>Base Facility Charge Flat Rates</u>	<u>Current Rates</u>	<u>Staff's Preliminary Rates</u>
Residential	\$ 10.79	\$ 26.04
Camp	6.76	16.22
Vacant Lot	2.69	

MISCELLANEOUS SERVICE CHARGES

Currently, the utility's tariff does not have a provision for miscellaneous service charges. Staff's preliminary charges, below, are designed to more accurately defray the costs associated with each service and place the responsibility of the cost on the person creating it rather than on the ratepaying body as a whole.

	<u>Water Current</u>	<u>Water Staff's Preliminary</u>
Initial Connection	\$ 0	\$15
Normal Reconnection	0	15
Violation Reconnection	0	15
Premises Visit (in lieu of disconnection)	0	10

SERVICE AVAILABILITY CHARGES

The utility's existing tariff does not authorize the utility to collect service availability charges. Staff is recommending no change to the existing service availability charges at this time. The final determination will be addressed in staff's final recommendation.

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 April 30, 1996. Copies of the reports may be examined by interested members of the public from 8:00 a.m. through 1:00 p.m. Monday through Friday at Ebro City Hall, 6629 Dogtrack Road, Ebro, 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:

NOTICE OF CUSTOMER MEETING
DOCKET NO. 960145-WU
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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. 960145-WU -
Application of Holmes Creek Water Utilities for staff-assisted rate
case in Washington 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 the Commission Staff for
distribution by the utility to its customers.