

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

ORIGINAL
FILE COPY

Public Service Commission

March 19, 1997

Mr. Henry Striegl
RHV Utility, Inc.
11781 West Fisherman Lane
Homosassa, FL 34448

Re: Docket No. 961220-SU - Application of RHV Utility, Inc. for a staff assisted rate case in Citrus County.

Dear Mr. Henry Striegl:

This will confirm that Commission Staff will hold a customer meeting at 7:00 p.m. on Wednesday, April 9, 1997. The location of the meeting will be the Riverhaven Village Community Club, 11450 West Riverhaven Drive, Homosassa, Florida, 34448 (Phone: 352-628-7111). Please give John Mann a call (904-413-6976) to verify that the arrangements for the meeting place have been confirmed by the utility. 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 of transmittal 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 PSC engineering report are enclosed, along with two copies of the PSC accounting report. Please make the reports available for review by all interested persons at the utility office. Interested parties will contact you to arrange a convenient time to examine these reports.

- ACK _____
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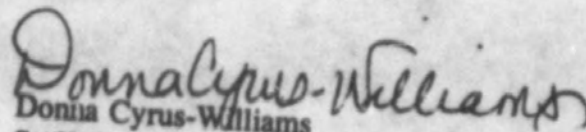
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If you have any questions, please do not hesitate to call.

Yours truly,


Donna Cyrus-Williams
Staff Counsel

JM/jm

Enclosures

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

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF

RHV UTILITY, INC. AND

ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 961220-SU

APPLICATION OF RHV UTILITY, INC. FOR A
STAFF-ASSISTED RATE CASE IN VOLUSIA COUNTY.

DATED: -----

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

7:00 p.m., Wednesday, April 9, 1997
Riverhaven Village Community Club
11450 West Riverhaven Drive
Homosassa, Florida 34448
PHONE: (352) 628-7111

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 provided by RHV UTILITY, INC. 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.

NOTICE OF CUSTOMER MEETING
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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

RHV UTILITY, INC. is a Class C wastewater utility located in Citrus County. It provides service to approximately 406 customers.

The test period for setting rates is the historical average twelve month period ending October 31, 1996. During the fiscal year, the utility's sewer books reflected unaudited operating revenues of \$115,366. The utility recorded unaudited net operating loss of \$72,797.

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 recommendations are as follows:

Schedules of the utility's existing rates and staff's recommended rates are as follows:

RHV UTILITY, INC.
Wastewater RATES
General Service and Residential Service

<u>Meter Size</u>	<u>Base Facility Charge</u>	
	<u>Existing Rate</u>	<u>Recommended Rate</u>
5/8" x 3/4"	\$ 10.46	\$ 11.23
3/4"	15.69	16.85
1"	26.15	28.08
1-1/2"	52.30	56.16
2"	83.68	89.86
3"	167.36	179.72
4"	261.50	280.82
6"	523.00	561.63
Gallage Charge		
Per 1,000 gallons(10K Max)Res.	\$ 1.47	\$ 2.55
General Service (No Maximum)	\$ 1.77	\$ 3.06

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Using the 402 test year residential wastewater customers with an average wastewater use of 6,638 gallons per month, an average residential wastewater bill comparison would be as follows:

	Average Bill Using Existing Rates	Average Bill Using Recommended Rates	Percent Increase
Base Facility Charge	\$10.46	\$11.23	
Gallorage Charge	9.76	16.92	
Total	\$20.22	\$28.15	39%

STAFF REPORTS AND UTILITY APPLICATION

The results of Staff's preliminary investigation are contained in the accounting and engineering report. Copies of the reports may be examined by interested members of the public at the RHV UTILITY, INC. office located at 11781 West Fisherman Lane, Homosassa, FL 34448. If you would like to examine these reports, please contact the utility at (352) 746-1400 to arrange a convenient 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

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All correspondence should refer to "Docket No. 961220-SU- Application of RHV UTILITY, INC. for a staff-assisted rate case in Citrus 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.