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REPLY TO ALTAMONTE SPRINGS

February 11, 2003

Ms. Blanca Bayo **Commission Clerk** Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

Docket No. 020408-SU; Application of Alafaya Utilities, Inc., for Rate Increase in Re: Seminole County, Florida Our File No.: 30057.46

Dear Ms. Bayo:

Enclosed please find for filing in the above-referenced docket the original and ____two (2) copies of the Affidavit of Mailing the Initial Customer Notice and Notice of AUS CAF — Eustomer Meeting to the customers fo Alafaya Utilities, Inc.

	:dmp osures	Very truly yours, MARTIN S. FRIEDMAN For the Firm	03 FEB 13 AM 8 56	DISTRIBUTION CENTER
cc:	Mr. Steve Lubertozzi (w/o enclosur Don Rassmussen, Vice President (w David L. Orr, EI (w/o enclosures) Ms. Deborah Swain (w/o enclosures Mr. Frank Seidman (w/o enclosures	s) DOCUMENT NUMBER-DAT	2	

CHRIS H. BENTLEY, P.A. ROBERT C. BRANNAN DAVID F. CHESTER F. MARSHALL DETERDING MARTIN S. FRIEDMAN, P.A. JOHN R. JENKINS, P.A. STEVEN T. MINDLIN, P.A. DAREN L. SHIPPY WILLIAM E. SUNDSTROM, P.A. DIANE D. TREMOR, P.A. JOHN L. WHARTON ROBERT M. C. ROSE, OF COUNSEL WAYNE L. SCHIEFELBEIN, OF COUNSEL VALERIE L. LORD, OF COUNSEL

(LICENSED IN TEXAS ONLY)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of ALAFAYA UTILITIES, INC., for a rate increase in Seminole County

DOCKET NO. 020408-SU

NOTICE OF FILING

)

Applicant, ALAFAYA UTILITIES, INC., hereby notices the filing of the Affidavit

of Mailing the Combined Initial Customer Notice and Notice of Customer Meeting to

the Customers of Alafaya Utilities, Inc..

Respectfully submitted on this 11th day of February, 2003, by:

ROSE, SUNDSTROM & BENTLEY, LLP 600 S. North Lake Boulevard Suite 160 Altamonte Springs, Florida 32701 (407) 830-6331 (407) 830-8522 Fax

By: MARTIN S. FRIEDMAN

Utilities\Alafaya Rate Case\NOF Aff of Mailing Combined Notice

DOCUMENT NUMPER-DATE 01467 FEB 138 FPSC-COMMISSION CLERK

AFFIDAVIT OF MAILING

STATE OF ILLINOIS

COUNTY OF COOK

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Steven M. Lubertozzi, who, after being duly sworn on oath, did depose on oath and say that he is the Director, Regulatory Accounting of Utilities, Inc., and that on February <u>10</u>, 2003, he did send by regular U.S. Mail, a copy of the Initial Customer Notice and Notice of Customer Meeting to the Customers of Alafaya Utilities, Inc., attached hereto.

FURTHER AFFIANT SAYETH NAUGHT.

Sworn to and subscribed before me this $\frac{1}{10}$ day of February, 2003, by Steven M. Lubertozzi, who is personally known to me.

Print Name SUSAN N. AYLIN NOTARY PUBLIC Sulan N. hylu My Commission Expires: 4-5-

OFFICIAL SEAL SUSAN N. AYLIN NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES 4-5-2006

BEFORE THE PUBLIC SERVICE COMMISSION

INITIAL CUSTOMER NOTICE AND NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF ALAFAYA UTILITIES, INC. AND ALL OTHER INTERESTED PERSONS

RE: DOCKET NO.: 020408-SU

APPLICATION FOR INCREASE IN RATES IN SEMINOLE COUNTY BY ALAFAYA UTILITIES, INC.

DATED: February 10, 2003

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss Alafaya Utilities, Inc.'s Application for a rate increase. The meeting will be held at the following time and place:

6:00 p.m., Wednesday, March 12, 2003 Seminole County Services Building Board Chambers, Room 1028 1101 East First Street Sanford, Florida 32771

All persons who wish to comment are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present. One or more of the Commissioners of the Florida Public Service Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all of the customers have been heard.

In addition to the customer meeting to be held on March 12, 2003, at 6:00 p.m., the Public Service Commission Staff will be available that afternoon from 2:00 p.m. to 5:00 p.m., to meet with representatives of customer groups, homeowners' associations, and developers who desire a more in-depth discussion of the issues. Appointments may be made for the meeting with Staff by contacting Mr. Bart Fletcher of the Florida Public Service Commission Staff at (850) 413-7017 prior to March 12, 2003. All representatives who wish to participate in individual meetings are urged to make an appointment, since the individual meetings may be canceled if no appointments are made.

Any person requiring some accommodation at the customer meeting because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 hours

prior to the meeting. 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 the meeting(s) is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission staff regarding the quality of service the Utility provides and to ask questions, and comment on the rates included in this Notice as well as other issues. Commission staff will be available to address and coordinate customers' comments and to assist members of the public. A representative from the utility may also be in attendance. At the beginning of the meeting, procedures will be established for the order of comments. The Public Service Commission staff will have sign-up sheets, and customers will be called in the order that they sign up to speak.

HOW TO CONTACT THE COMMISSION

Any person who wishes to comment or provide information to staff may do so at the meetings, either orally or in writing. Other written comments regarding the utility and the proposed rates, or requests to be placed on the mailing list for this case, may be directed to this address:

Director, Division of the Commission Clerk & Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0870

All correspondence should refer to "Docket No. 020408-SU", Alafaya Utilities, Inc. Your letter will placed in the correspondence file of this docket. You may also submit comments through the Public Service Commission's toll-free facsimile line at 1-800-511-0809. The Commission also has a web-site available at http://floridapsc.com/consumers/complaint/index.cfm

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.

BACKGROUND

Alafaya Utilities, Inc. is a wastewater utility located in Seminole County. As reported in its MFRs, the Utility's revenues per books are \$1,809,140, with operating expenses per books of \$1,505,894, resulting in a net profit of \$303,246 per books, before adjustments. The rate increase application has been filed by Alafaya Utilities, Inc., because of inadequate earnings.

Copies of the MFRs filed by the Company can be reviewed at the Seminole County Public Library - East Branch, located at 310 Division Street, Oviedo, Florida 32765 during the following

hours: Monday through Thursday from 9 am to 9 pm; Friday and Saturday from 9 am to 5 pm; and Sundays from 1 pm to 5 pm. An "A Rate Case Synopsis" is also available, along with the MFRs.

The test period for setting rates is the historical average twelve-month period ended December 31, 2001.

CURRENT AND PROPOSED RATES AND CHARGES

The current and proposed rates and charges follow. These rates are subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners.

WASTEWATER SYSTEM

Residential Service

<u>Class/Meter Size</u>	<u>Present</u> <u>Rates</u>	<u>Proposed</u> Interim Rates	<u>Proposed</u> <u>Final Rates</u>
All Meter Sizes Gallonage Charge (per 1,000 gallons - 10,000 gallon maximum)	\$12.85	\$14.11	\$15.08
	\$1.76	\$1.93	\$2.07

General Service

<u>Class/Meter Size</u>	<u>Present Rates</u>	<u>Proposed</u> Interim Rates	<u>Proposed</u> Final Rates
5/8" x 3/4"	\$12.85	\$14.11	\$15.08
1"	\$32.15	\$35.29	\$37.70
1 1/2"	\$64.29	\$70.57	\$75.40
2"	\$102.86	\$112.91	\$120.64
3"	\$205.72	\$225.83	\$226.20
4''	\$321.45	\$352.87	\$377.00
6''	\$642.91		
Gallonage Charge (per 1,000 gallons)	\$1.76	\$1.93	\$2.07

Irrigation Quality Water - Residential Service

<u>Class/Meter Size</u>	<u>Present</u> <u>Rates</u>	<u>Proposed</u> Interim Rates	<u>Proposed</u> <u>Final Rates</u>
Monthly Flat Rate	\$9.07	\$9.96	\$10.64
Monthly Availability Fee	\$5.04	\$5.53	\$5.91

Irrigation Quality Water - General Service

<u>Class/Meter Size</u>	<u>Present</u> <u>Rates</u>	<u>Proposed</u> Interim Rates	<u>Proposed</u> <u>Final Rates</u>
All Meter Sizes	-0-	-0-	-0-
Gallonage Charge (per 1,000 gallons) 8,000 gallon maximum per dwelling unit	\$0.60	\$0.66	\$0.70

SERVICE AVAILABILITY CHARGES

The company is not requesting any changes to its service availability charges or its miscellaneous service charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

PROCEDURES AFTER CUSTOMER MEETINGS

In addition to the customer meeting notice described above, other important dates in the rate application are as follows:

Schedule Item

Due Dates

Staff Recommendation on Interim RatesFebruary 20, 2003Agenda Conference on Interim RatesMarch 4, 2003Order on Interim RatesMarch 24, 2003Staff Audit ReportMarch 24, 2003Staff's Proposed Agency Action ("PAA")May 22, 2003RecommendationJune 3, 2003

Schedule Item

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Due Dates

PAA Order Issued Protest Period Expires June 23, 2003 July 14, 2003

This notice was prepared by the Company and Commission staff for distribution by the Utility to its customers.

Utilities\Alafaya Rate Case\Combined Notice