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REPLY TO CENTRAL FLORIDA OFFICE

October 4, 2006

HAND DELIVERY

CENTRAL FLORIDA OFFICE
SANLANDO CENTER
2180 W. STATE ROAD 434, SUITE 2118
LONGWOOD, FLORIDA 32779
(407) 830-6331
FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.
VALERIE L. LORD
BRIAN J. STREET

COMMISSION
CLERK

06 OCT -4 AM 11:18

RECEIVED -PSC

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

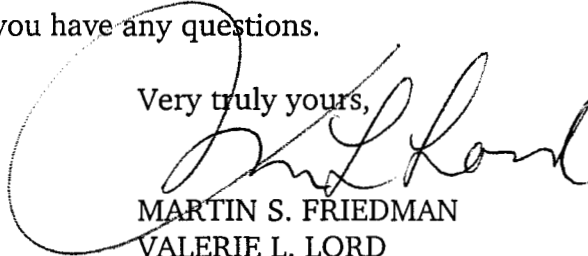
RE: Docket No. 060261-WS; Utilities, Inc. of Pennbrooke's Application for Rate Increase in
Lake County, Florida
Our File No.: 30057.121

Dear Ms. Bayo:

Enclosed please find for filing the original and fifteen (15) copies of the Affidavit of
Mailing Initial Customer Notice and Customer Meeting Notice for this utility.

Please feel free to contact me if you have any questions.

Very truly yours,



MARTIN S. FRIEDMAN
VALERIE L. LORD
For the Firm

- DMP _____
- COM _____
- CTR _____ VLL/tlc
- ECR _____ Enclosures
- GCL _____ cc:
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC _____
- OTH _____

Mr. Troy Rendell, Division of Economic Regulation (w/encs. - via hand delivery)
Mr. Steven M. Lubertozzi (w/enclosures - via U.S. Mail)
Ms. Kirsten Weeks (w/enclosures - via U.S. Mail)
Mr. John Hoy (w/o enclosures - via U.S. Mail)
Mr. Patrick C. Flynn (w/enclosures - via U.S. Mail)
Steven Reilly, Office of Public Counsel (w/o enclosures - via U.S. Mail)

M:\1 ALTAMONTE\UTILITIES INC\PENNBROOKE\(.121) 2005 RATE CASE\PSC Clerk 10 (AOM Combined Notice).ltr.wpd

DOCUMENT NUMBER-DATE

09162 OCT-4 8

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
UTILITIES, INC. OF PENNBROOKE
for an increase in water and wastewater
rates in Lake County, Florida

DOCKET NO. 060261-WS

NOTICE OF FILING

Applicant, UTILITIES, INC. OF PENNBROOKE hereby notices the filing of the Affidavit of Mailing the Combined Initial Customer Notice and Notice of Customer Meeting to the customers of Utilities, Inc. of Pennbrooke.

Respectfully submitted on this the 3rd day
of October 2006, by:

ROSE, SUNDSTROM & BENTLEY, LLP
Sanlando Center
2180 W. State Road 434
Suite 2118
Longwood, Florida 32779
(407) 830-6331 Phone
(407) 830-8522 Fax

By: 

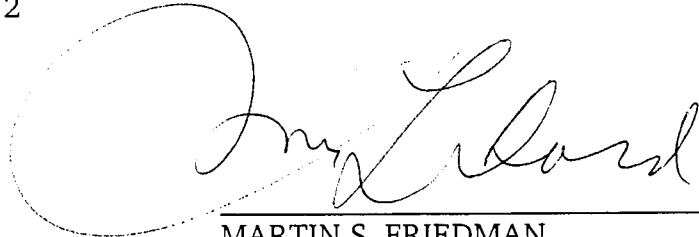
MARTIN S. FRIEDMAN
VALERIE L. LORD

CERTIFICATE OF SERVICE
DOCKET NO. 060261-WS

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished
by U. S. Mail this 3rd day of October 2006, to the following:

Jennifer Brubaker, Esquire
OFFICE OF GENERAL COUNSEL
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Steve Reilly, Esquire
OFFICE OF PUBLIC COUNSEL
Claude Pepper Building
111 W. Madison Street, Suite 812
Tallahassee, FL 32399

A handwritten signature in cursive script, appearing to read "Valerie L. Lord", is written over a horizontal line.

MARTIN S. FRIEDMAN
VALERIE L. LORD
For the Firm

AFFIDAVIT OF MAILING

STATE OF ILLINOIS

COUNTY OF COOK

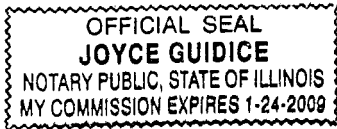
Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared STEVEN M. LUBERTOZZI, who, after being duly sworn on oath, did depose and say that he is the Chief Regulatory Officer of Utilities, Inc. of Pennbrooke, and that on September 21, 2006, he did send by regular U.S. Mail a copy of the Initial Customer Notice and Notice of Customer Meeting for Utilities, Inc. of Pennbrooke to the Utility's customers in the form attached hereto.

FURTHER AFFIANT SAYETH NAUGHT.

Steven M. LubertoZZI

STEVEN M. LUBERTOZZI

Sworn to and subscribed before me this 29 day of September, 2006, by STEVEN M. LUBERTOZZI, who is personally known to me or has produced _____ as identification.



Joyce Guidice

NOTARY PUBLIC - STATE OF ILLINOIS
Printed _____ Name:

My Commission Expires: Jan 24, 2009

BEFORE THE PUBLIC SERVICE COMMISSION

**INITIAL CUSTOMER NOTICE
AND
NOTICE OF CUSTOMER MEETING**

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

RE: DOCKET NO.: 060261-WS

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES
IN LAKE COUNTY, FLORIDA
BY UTILITIES, INC. OF PENNBROOKE

DATED: September 21, 2006

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the Application for an increase in water and wastewater rates of Utilities, Inc. of Pennbrooke ("Utility"). The meeting will be held at the following time and place:

Tuesday, October 10, 2006
6:00 p.m.
Grand Hall at Pennbrooke Fairways
33825 Pennbrooke Parkway
Leesburg, Florida

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 October 10, 2006, at 6:00 p.m., the Public Service Commission Staff will be available that afternoon from 2:00 p.m. to 4:00 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 Ms. Sam Merta of the Florida Public Service Commission Staff at (850) 413-6427 prior to Friday, October 6, 2006. 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).

Emergency Cancellation of Customer Meeting

If a named storm or other disaster requires cancellation of the meeting, Commission staff will attempt to give timely direct notice to the parties. Notice of cancellation of the meeting will also be provided on the Commission's website (<http://www.psc.state.fl.us/>) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Office of the General Counsel at 850-413-6199.

PURPOSE

The purpose of the meeting 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 meeting, 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. 060261-WS, Utilities, Inc. of Pennbrooke". Your letter will be 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 website 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 Regulatory Compliance and Consumer Assistance at the following toll-free number 1-800-342-3552.

BACKGROUND

Utilities, Inc. of Pennbrooke (*Utility*) is a water and wastewater utility whose corporate offices are located at 200 Weathersfield Avenue, Altamonte Springs, Florida. The Utility's water and wastewater facilities are located in Lake County, Florida. As reported in its Minimum Filing Requirements (*MFRs*) filed with the Florida Public Service Commission (*Commission*) on May 15, 2006, as revised on July 10, 2006, the Utility's revenues per books are \$340,926, with operating expenses per books of \$283,578, for its water system, and revenues per books of \$308,977, with operating expenses per books of \$285,582, for its wastewater system, resulting in net operating income of \$57,348 for its water system, and net operating income of \$23,395 for its wastewater

system, per books, before adjustments. The rate increase application has been filed by the Utility because of inadequate earnings.

Copies of the MFRs will be available for inspection by members of the public at the following locations:

Leesburg Public Library
204 N. 5th Street
Leesburg, FL 34748

Hours: Monday through Thursday
9:00 a.m. to 9:00 p.m.
Friday 9:00 a.m. to 6:00 p.m.
Saturday 9:00 a.m. to 5:00 p.m.
Sunday 1:00 p.m. to 5:00 p.m.

Utilities, Inc. of Florida
200 Weathersfield Avenue
Altamonte Springs, FL 32714
Office Hours: Monday through Friday
8:00 a.m. to 4:30 p.m.

A "Rate Case Synopsis" will also be available, along with the MFRs.

The test period for setting rates is the historical average twelve-month period ended December 31, 2005.

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 Commission Staff review, and the final decision by the Commissioners.

WATER SERVICE

<u>Residential and General Service</u>	<u>Rates Prior to Filing</u>	<u>Utility's Requested Interim Rates*</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates*</u>
Base Facility Charge:				
<u>Meter Size</u>				
5/8" x 3/4"	\$5.56	N/A	\$5.97	N/A
1"	\$13.90	N/A	\$14.92	N/A
1 ½"	\$27.80	N/A	\$29.85	N/A
2"	\$44.48	N/A	\$47.72	N/A
3"	\$88.96	N/A	\$95.45	N/A
4"	\$139.00	N/A	\$149.13	N/A
Gallage Charge (per 1,000 gallons)	\$1.61	N/A	\$1.74	N/A
0 – 10,000 gallons				
Over 10,000 gallons	\$2.01	N/A	\$2.17	N/A
* The Utility did not request interim rates.				

WASTEWATER SERVICE

<u>Residential</u>	<u>Rates Prior to Filing</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge:				
<u>Meter Size</u>				
5/8" x 3/4"	\$7.85	\$11.09	\$11.85	\$10.78
1"	\$19.62	\$27.72	\$29.62	\$26.94
1 ½"	\$39.23	\$55.41	\$59.22	\$53.87
2"	\$62.77	\$88.71	\$94.72	\$86.19
3"	\$125.54	\$177.35	\$189.52	\$172.38
4"	\$196.15	\$277.10	\$296.11	\$269.34
Gallage Charge (per 1,000 gallons)(Maximum 10,000 gallons per month)	\$1.96	\$3.32	\$3.54	\$2.69

<u>General Service</u>	<u>Rates Prior to Filing</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge:				
<u>Meter Size</u>				
5/8" x 3/4"	\$7.85	\$11.09	\$11.85	\$10.78
1"	\$19.62	\$27.72	\$29.62	\$26.94
1 1/2"	\$39.23	\$55.41	\$59.22	\$53.87
2"	\$62.77	\$88.71	\$94.72	\$86.19
3"	\$125.54	\$177.35	\$189.52	\$172.38
4"	\$196.15	\$277.10	\$296.11	\$269.34
Gallage Charge (per 1,000 gallons)	\$2.35	\$3.32	\$3.54	\$3.23

SERVICE AVAILABILITY CHARGES

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

MISCELLANEOUS SERVICE CHARGES

The Utility is requesting the following changes to its miscellaneous service charges.

Type of Charge	<u>Water</u>			
	Present Charge		Requested Charge	
	During Business Hours	After Business Hours	During Business Hours	After Business Hours
Initial Connection	\$15.00	N/A	\$15.00	\$22.50
Normal Reconnection	\$15.00	N/A	\$15.00	\$22.50
Violation Reconnection	\$15.00	N/A	\$15.00	\$22.50
Premises Visit (in lieu of disconnection)	\$10.00	N/A	\$10.00	\$15.00

Wastewater

Type of Charge	Present Charge		Requested Charge	
	During Business Hours	After Business Hours	During Business Hours	After Business Hours
Initial Connection	\$15.00	N/A	\$15.00	\$22.50
Normal Reconnection	\$15.00	N/A	\$15.00	\$22.50
Violation Reconnection	Actual Cost	N/A	Actual Cost	Actual Cost
Premises Visit (in lieu of disconnection)	\$10.00	N/A	\$10.00	\$15.00

PROCEDURES AFTER CUSTOMER MEETINGS

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

Schedule Item

Due Dates

Staff Recommendation on Interim Rates	July 6, 2006
Agenda Conference on Interim Rates	July 18, 2006
Order on Interim Rates	August 7, 2006
Staff Audit Report	September 27, 2006
Customer Meeting	October 10, 2006
Staff's Proposed Agency Action ("PAA") Recommendation	December 27, 2006
Agenda Conference on PAA Rates	January 9, 2007
PAA Order	January 29, 2007
Protest Period Expires	February 19, 2007

This notice was prepared by the Utility and approved by Commission Staff for distribution by the Utility to its customers.