

State of Florida



ORIGINAL

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

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**DATE:** November 28, 2006  
**TO:** Blanca S. Bayó, Commission Clerk and Administrative Services Director  
**FROM:** *J* Jay B. Revell, Regulatory Analyst III, Division of Economic Regulation  
**RE:** Docket No. 060257-WS - Application for Increase in water and wastewater rates in Polk County by Cypress Lakes Utilities, Inc.

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Enclosed is a letter dated November 14, 2006, from representatives of the Cypress Lakes Homeowners Association. Please place this letter in the docket file for this docket.

- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPC \_\_\_\_\_
- RCA \_\_\_\_\_
- SCR \_\_\_\_\_
- SGA \_\_\_\_\_
- SEC   1
- OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

10811 NOV 28 06

FPSC-COMMISSION CLERK

November 14, 2006

06 NOV 20 11 09:43

Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

ECONOMIC REGULATION

Attention : W. Troy Rendell  
Public Utilities Supervisor  
Division of Economic Regulation

Interest in the current utility rate increase request remains high among the residents of our community. To provide them with an update, we are developing an article for our community newsletter. Since we would like to respond to some of the questions posed by these residents, we are asking for help in this regard.

Initially, we would like a copy of your PowerPoint presentation as it contained certain information not available in your handout. Secondly, we are interested in knowing the number of responses you have received directly from our residents; we, unfortunately, did not indicate to them at the meeting that we would like a copy of the comments for our files. Also, several of them have forwarded their comments directly to us and we will forward them to you under separate cover.

We have received several inquiries into the justification for the interim rates awarded by PSC. There is an inconsistency between the information our residents received in the mail on the water rates and the comment that you made in the meeting that the interim rates were less than the Utility had requested. In the case of the water rates, the mailing indicated that the utility requested an interim rate of \$ 6.59 for the base facility charge and the PSC granted \$7.11. The gallonage charges were also higher than those shown as the utility's requested interim rates:

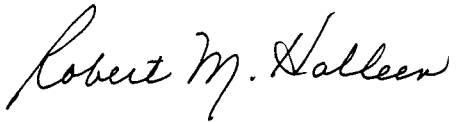
0 - 6000 gallons	\$ 2.63 versus \$ 2. 71 granted by PSC
6001 - 12,000 gallons	\$ 3.96 versus \$ 4.08 " " "
Over 12,000 gallons	\$ 5.27 versus \$ 5.43 " " "

In the case of the wastewater, your comment is accurate for any gallonage over 1499 gallons. Of particular interest to our committee is the methodology used to establish such interim rates since they are approved prior to any notification to the users.

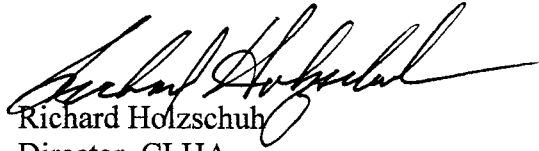
As we prepare for the Agenda meeting with the Commissioners, we would like to know if it is possible to use a PowerPoint presentation or Handouts for this meeting. Last time, the presentation was simply an oral presentation and we believe that it lacked effectiveness in emphasizing certain points to the Commission. Further, we would like to make a numerical presentation of the results of our interpretation of requested increases as well as some visual perspective on the quality of the product that our residents are observing. Hopefully, these additions will enhance our presentation and have a positive impact on the ruling of the Commission.

We would be happy to provide any additional information that you believe would further your understanding of the comments and/or questions that you may have received. Please forward such request to either of the undersigned.

Sincerely,



Robert M. Halleen  
Director, CLHA  
Utility Rate Increase Project



Richard Holzschuh  
Director, CLHA  
Utility Rate Increase Project

cc: Office of Public Counsel

enc. Mailing of Cypress Lakes Utilities, Inc

## Notice of Interim Rate Increase

Cypress Lakes Utilities, Inc.  
PSC Docket No.: 060257-WS

On July 18, 2006, the Florida Public Service Commission approved interim water and wastewater rates for Cypress Lakes Utilities, Inc. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will be with interest pursuant to Commission Rules.

The rates prior to filing, the Utility's requested interim rates and the Commission approved interim rates on a monthly basis are set forth below.

### WATER

<u>General Service</u>	<u>Rates Prior to Filing</u>	<u>Utility's Requested Interim Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge:			
<u>Meter Size</u>			
5/8" x 3/4"	\$6.49	\$6.59	\$7.11
1"	\$16.22	\$16.48	\$17.78
1 1/2"	\$32.44	\$32.97	\$35.55
2"	\$51.89	\$52.72	\$56.87
3"	\$103.78	\$98.85	\$113.74
4"	\$162.15	\$164.75	\$177.71
6"	\$324.31	\$329.50	\$355.43
Gallage Charge (per 1,000 gallons)	\$2.69	\$2.87	\$2.95

<u>Residential and Multi-Family</u>	<u>Rates Prior to Filing</u>	<u>Utility's Requested Interim Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge:			
<u>Meter Size</u>			
All Meter Sizes	\$6.49	\$6.59	\$7.11
Gallage Charge (per 1,000 gallons)			
0- 6,000 gallons	\$2.47	\$2.63	\$2.71
6,001 - 12,000 gallons	\$3.72	\$3.96	\$4.08
Over 12,000 gallons	\$4.95	\$5.27	\$5.43

### WASTEWATER

<u>General Service</u>	<u>Rates Prior to Filing</u>	<u>Utility's Requested Interim Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge:			
<u>Meter Size</u>			
5/8" x 3/4"	\$14.36	\$10.77	\$17.45
1"	\$35.92	\$26.92	\$43.65
1 1/2"	\$71.86	\$53.83	\$87.33
2"	\$114.97	\$86.16	\$139.72
3"	\$229.93	\$161.55	\$279.42
4"	\$359.26	\$269.25	\$436.59
6"	\$718.52	\$538.50	\$873.18
Gallage Charge (per 1,000 gallons)			
	\$3.50	\$6.17	\$4.25

**Residential and Multi-Residential**

**Rates Prior to Filing**

**Utility's Requested Interim Rates**

**Commission Approved Interim Rates**

Base Facility Charge:

Meter Size

All Meter Sizes	\$14.36	\$10.77	\$17.45
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Gallage Charge  
(per 1,000 gallons)  
(Maximum 8,000 gallons)

\$2.92	\$5.14	\$3.55
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Written comments regarding the Utility's service or the requested final rate increases may be sent to the Commission at the following address:

Director, Division of Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

All comments should refer to Docket No. 060257-WS which is the docket number that has been assigned to this case.

The interim rates will be effective September 15, 2006. The prorated increase for September will be included in your October, 2006 bill. If you have any questions, please call the Utility's office at (407) 869-1919. Be sure to have your account number on hand for quick reference.

Cypress Lakes Utilities, Inc.  
200 Weathersfield Avenue  
Altamonte Springs, Florida 32714