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Public Service Commission

July 27, 2010

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10 JUL 27 PM 3:23

RECEIVED PPSO

Mr. Lavoyd Yates
36426 Clara Street
Eustis, FL 32736

Re: Docket No. 100085-WU, Application for certificate to operate water utility in Lake County by Black Bear Reserve Water Company, Inc.

Dear Mr. Yates:

The Florida Public Service Commission is in receipt of your July 1, 2010, letter of objection to the issuance of original water certificate to Black Bear Reserve Water Company, Inc. (BBRWC or utility). Your letter lists your various objections to the issuance of a certificate to BBRWC, but you did not state whether you are also requesting an administrative hearing before the Public Service Commission pursuant to Sections 120.569 and 120.567, Florida Statutes. I need to understand whether you are requesting a hearing on BBRWC's application, or whether your letter of objection is for purposes of informing the Commission of your concerns regarding this utility.

If a customer merely objects to the issuance of the certificate, the letter of objection is placed in the docket file here at the Commission, and remains available for review and informational purposes. If a customer timely objects to the issuance of a certificate and requests a hearing, that customer becomes a party to the proceeding and is entitled to a full evidentiary hearing before the Commission. The utility will also be a party to the proceeding. If you choose to ask for a hearing, you will have certain rights and responsibilities to put on your case, including filing written testimony, participating in motion practice and formal discovery, and attending the hearing where your witness will be subject to cross-examination. Whether or not you choose to pursue a full evidentiary hearing in this matter, staff will review your objections and investigate your concerns as needed.

As you are determining whether to pursue your right to an evidentiary hearing, keep in mind that denying BBRWC a certificate does not guarantee that another utility company will provide service to your property. If the Commission finds good cause to deny a certificate, there will still be the issue of who will provide water service to the customers and at what costs.

Rather than recommending denial of a certificate, generally the Public Service Commission staff strives to gain compliance with all applicable utility statutes and rules. One of the goals of regulation is assisting the utility in coming into compliance. The Commission staff educates the utility in the principles of utility service and rates. If a utility owner fails or refuses to comply with Commission rules, or orders, the Commission has several tools at its disposal which it uses to gain

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compliance. Those tools include a customer complaint system, orders defining what the utility may and may not charge, fines for failure to comply with Commission rules, and ultimately court intervention if the utility willfully fails to comply with Commission directives. Therefore, the regulation of this utility will aid the Commission in achieving a resolution to some or all of the concerns raised in your letter of objection.

After reviewing the above, please let me know no later than August 16, 2010, if you intend to pursue a full evidentiary hearing or if you wish your letter to be placed in the docket file to be considered by the Commission in its decision to grant or deny an original certificate to BBRWC. If you have not responded by August 16, 2010, your letter will be placed in the docket file and we will not pursue an evidentiary hearing on your behalf. Should you have any questions regarding this letter, you may contact me at (850) 413-6197. You may also contact Patti Daniel with questions at (850) 413-6808.

Sincerely,



Lorena A. Holley
Senior Attorney

LAH:th

cc: Office of Commission Clerk
Wayne Smith
Martin S. Friedman
Division of Economic Regulations (Brady, Donoho, Slemkewicz, J. Williams)