

State of Florida



CORRESPONDENCE
MAR 14, 2016
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Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

DATE: March 14, 2016

TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM: John Slemkewicz, Division of Accounting & Finance *JS*

RE: Docket No. 150269-WS - UIF Limited Rate Proceeding - Letter for Correspondence Side of Docket File

Please place the attached response letter to Mr. Lee Robida on the correspondence side of Docket No. 150269-WS.

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STATE OF FLORIDA



COMMISSIONERS:
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DIVISION OF
ACCOUNTING AND FINANCE
ANDREW L. MAUREY
DIRECTOR
(850) 413-6900

Public Service Commission

March 14, 2016

Mr. Lee Robida
Resident of Summertree
New Port Richey, FL
leerobida@gmail.com

Re: Docket No. 150269-WS - Application for limited proceeding water rate increase in Marion, Pasco and Seminole Counties, by Utilities, Inc. of Florida.

Dear Mr. Robida:

Thank you for your letter expressing your concerns about the rate increase petition filed by Utilities, Inc. of Florida (UIF or Utility). To ensure that the Commission staff and the Commissioners have knowledge of your concerns, your letter has been placed on the correspondence side of the docket file for all to review.

Many factors affect the rate adjustment or cost of providing water service. These factors can include the following: the size and age of a utility system, the number of customers, and the geographic spread of the service area. Rates are increased relative to a utility's revenue requirement and are designed in order to allow a utility the opportunity to recover its reasonable and prudent costs for providing service and a reasonable rate of return on its investment in facilities necessary to provide such water service.

In the instant case, UIF is requesting to recover the cost of water quality improvements in Summertree and to offset the effects of irrigation customers installing their own wells. Pending a customer survey, Summertree's water could be purchased from Pasco County Utilities rather than being drawn from UIF's own wells. Commission staff conducts a thorough analysis of these factors in order to write a recommendation, regarding the proposed rate increase, for the Commissioners to consider.

We appreciate your email and understand your concerns regarding the proposed rate increase. The Commission also understands that these are difficult economic times for so many people. I hope the above information is helpful.

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If you have any additional questions, or require further assistance, please call me at (850) 413-6420 or email me at Jslemkew@psc.state.fl.us.

Sincerely,

John Slemkewicz

John Slemkewicz
Public Utility Analyst

cc: Division of Accounting and Finance (Bulecza-Banks, Fletcher, Mouring)
Division of Engineering (King, Mtenga)
Division of Economics (Hudson)
Office of the General Counsel (Barrera)
Office of Commission Clerk (Docket No. 150269-WS)