

State of Florida

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Division of Legal Services
Robert D. Vandiver, *Director*
(904) 487-2740

Public Service Commission

October 31, 1990

Mr. R. D. Sims
Shady Oaks Mobile-Modular Estates, Inc.
1702 Highway 39 South
Zephyrhills, Florida 33599

Re: Docket No. 900025-WS - Application of Shady
Oaks Mobile-Modular Estates, Inc. for a
staff-assisted rate case in Pasco County

Dear Mr. Sims:

This will confirm that Commission Staff will hold a customer meeting at 7:00 p.m. on Wednesday, November 28, 1990. The location of the meeting will be at the recreational center at 1702 Highway 39 South, Zephyrhills, Florida. We ask that, if at all possible, you or another knowledgeable representative of the utility attend the meeting in order to answer customer questions.

The original customer meeting notice is enclosed. Please note that the date has been left blank so that you can fill in the date that the notice is sent to the customers. The customers must have at least fourteen days' notice of the meeting, calculated from the day that they receive the notice. Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

Two copies of the engineering report dated September 20, 1990 and two copies of the accounting report dated October 15, 1990 are enclosed. Please ensure that a copy of the complete Application

FLORIDA PUBLIC SERVICE COMMISSION • 101 EAST GAINES STREET • TALLAHASSEE, FL 32399-0863

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FPSC-RECORDS/REPORTING

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for Staff Assistance and the reports are available for review by all interested persons at the recreational center at Shady Oaks Mobile-Modular Estates from 9:00 a.m. to 5:00 p.m.

If you have any questions, please do not hesitate to call.

Yours truly,



Thomas Palmer
Staff Attorney

TCP/lp

Enclosures

cc: Commissioners
Office of Public Counsel
Division of Consumer Affairs
Division of Records and Reporting ✓
Division of Water and Sewer (D. Vandiver, Shafer)
Hearing Reporter (Carol Causseaux)
Public Information Officer (Beverlee DeMello)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF

SHADY OAKS MOBILE-MODULAR ESTATES, INC.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 900025-WS

APPLICATION OF SHADY OAKS MOBILE-MODULAR ESTATES, INC.
FOR A STAFF-ASSISTED RATE CASE IN
PASCO COUNTY

DATED: _____

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of Shady Oaks Mobile-Modular Estates, Inc. for a staff-assisted rate case in Pasco County. The meeting will be held at the following time and place:

7:00 pm, Wednesday, November 28, 1990
Recreational Center at
Shady Oaks Mobile-Modular Estates, Inc.
1702 Highway 39 South
Zephyrhills, Florida

All persons who wish to testify are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present.

PURPOSE

The purpose of this meeting is to give customers and other interested persons an opportunity to offer sworn testimony regarding the quality of service the utility provides and to ask questions and comment on Staff's preliminary rates included in this notice as well as other issues. Staff members will answer questions to the extent possible. A representative from the utility has also been invited to respond to questions.

Any person who wishes to comment or provide information to Staff may do so at the meeting, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice.

DOCUMENT NUMBER-DATE

09842 NOV-1 1990

FPSC-RECORDS/REPORTING

BACKGROUND

Shady Oaks Mobile-Modular Estates, Inc. is a water and wastewater utility located in Pasco County, approximately one and one-half miles South of Zephyrhills, Florida. It provides service to 185 water and wastewater customers at Shady Oaks Mobile-Modular Estates, Inc.

The test period for setting rates is the historical average twelve month period ended June 30, 1990.

CURRENT AND PRELIMINARY RATES AND CHARGES

The utility's current rate structure is a flat rate included in an overall annual fee of \$300 for a variety of services. Staff believes that flat rates and unmetered service are not conducive to conservation. Staff recommends that the utility employ the base facility/gallongage charge rate structure. This rate structure has been used by the Commission for many years and establishes a fixed charge for each customer which recovers a proportionate share of fixed operating costs and a variable gallongage charge which recovers the variable costs of providing the treated water or wastewater treatment and reflects each customer's actual usage.

Staff used an average of 6,000 gallons per month per customer and the average test year number of customers to compile a billing analysis for the test year and calculate rates for a base facility/gallongage charge rate structure. Staff's preliminary rates and rate structure are as follows:

Water

Monthly Rates

Residential

Base Facility Charge

Preliminary Rates

5/8" x 3/4"

\$ 6.17

3/4"

9.26

| <u>Base Facility Charge</u> | <u>Preliminary Rates</u> |
|-----------------------------|--------------------------|
| 1" | 15.43 |
| 1-1/2" | 30.85 |
| 2" | 49.36 |
| 3" | 92.55 |
| 4" | 154.25 |
| 6" | 308.50 |

| <u>Gallonage Charge</u> | |
|-------------------------|---------|
| Per 1,000 gallons | \$ 1.42 |

General Service

| <u>Base Facility Charge</u> | <u>Preliminary Rates</u> |
|-----------------------------|--------------------------|
| <u>Meter Size</u> | |
| 5/8" x 3/4" | \$ 6.17 |
| 3/4" | 9.26 |
| 1" | 15.43 |
| 1-1/2" | 30.85 |
| 2" | 49.36 |
| 3" | 92.55 |
| 4" | 154.25 |
| 6" | 308.50 |

| <u>Gallonage Charge</u> | |
|-------------------------|---------|
| Per 1,000 gallons | \$ 1.42 |

Wastewater

Monthly Rates

Residential

Base Facility Charge

All Meter Sizes

Preliminary Rates

\$ 11.47

Gallonage Charge

Per 1,000 gallons
(6,000 gal. maximum)

\$ 3.46

General Service

Base Facility Charge

Meter Size

Preliminary Rates

5/8" x 3/4" \$ 11.47

3/4" 17.21

1" 28.68

1-1/2" 57.35

2" 91.76

3" 172.05

4" 286.75

6" 573.50

Gallonage Charge

Per 1,000 gallons

\$ 4.15

MISCELLANEOUS SERVICE CHARGES

Currently, the Utility's tariffs have no provision for miscellaneous service charges. Staff's preliminary charges, below, are designed to more accurately defray the costs associated with each service and place the responsibility of the cost on the person creating it rather than on the ratepayers generally.

| | Staff's Preliminary <u>Water</u> | Staff's Preliminary <u>Wastewater</u> |
|--|--|---|
| Initial Connection | \$ 15.00 | \$ 15.00 |
| Normal Reconnection | 15.00 | 15.00 |
| Violation Reconnection | 15.00 | Actual Cost |
| Premises Visit (in lieu of disconnection) | 10.00 | 10.00 |

SERVICE AVAILABILITY FEE

These charges apply only to future customers. The utility's current tariffs do not provide for any service availability charges. Staff's preliminary service availability charges are \$210 per equivalent residential connection (ERC) for water and \$1,200 per ERC for wastewater.

STAFF REPORTS AND UTILITY APPLICATION

The results of Staff's preliminary investigation are contained in an accounting report dated October 15, 1990, and an engineering report dated September 20, 1990. Copies of the reports may be examined by interested members of the public from 9:00 a.m. through 5:00 p.m. at the recreational center at 1702 Highway 39 South, Zephyrhills, Florida.

PROCEDURES AFTER CUSTOMER MEETING

After the meeting, Staff will prepare and submit a recommendation to the Commission. The Commission may thereafter issue a proposed agency action order containing rates which may be different from those contained in Staff's final recommendation. Five to ten customers or persons who attend the meeting and who wish to receive a copy of the recommendation and the order may so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers and interested persons. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by writing to the Commission at the address at the end of this notice.

HOW TO CONTACT THE COMMISSION

Written comments regarding the Utility and the proposed rates, and requests to be placed on the mailing list for this case, may be directed to this address:

Director, Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0870

All correspondence should refer to "Docket No. 900025-WS - Application of Shady Oaks Mobile-Modular Estates, Inc. for staff-assisted rate case in Pasco County."

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.

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