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June 16, 1995

**ORIGINAL  
FILE COPY**

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

**HAND DELIVERY**

RE: Docket No. **950387-SU**  
Application of FLORIDA CITIES WATER COMPANY, North  
Ft. Myers Division, for an increase in wastewater rates in Lee County,  
Florida

Dear Ms. Bayo:

Enclosed for filing in the above docket, on behalf of Florida Cities Water Company, North  
Ft. Myers Division, is an original and fifteen (15) copies of the following documents:

1. Staff-approved Synopsis;
2. Certificate of Service for Synopsis;
3. Staff-approved Notice of Application; and
4. Staff-approved Notice of Customer Meeting.

Please acknowledge receipt of the foregoing by stamping the enclosed extra copy of this  
letter and returning same to my attention. Thank you for your assistance.

Very truly yours,

B. Kenneth Gatlin

ACK

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL  
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In re: Application of Florida Cities Water )  
Company, North Ft. Myers Division, for )  
an Increase in Wastewater Rates in )  
Lee County, Florida )

Docket No. 950387-SU

SYNOPSIS

1. FLORIDA CITIES WATER COMPANY, North Ft. Myers Division, ("Applicant"), has applied to the Florida Public Service Commission ("the Commission") for an increase in its wastewater rates in Lee County, Florida.

2. Applicant is a water and wastewater utility company regulated by the Commission. Applicant is seeking an increase in its wastewater rates because its present rates do not provide sufficient revenues to permit it an opportunity to earn a fair return on its investment in facilities used and useful in furnishing wastewater service to the public.

3. The present rates and proposed final wastewater utility service rates are as follows:

WASTEWATER SERVICE

<u>Class/Meter Size</u>	<u>Present Rates</u>	<u>Proposed Final Rates</u>
<b>Residential</b>		
<b>Base Facility charge (Monthly Min.)</b>		
5/8 x 3/4"	\$24.37	\$32.61
3/4"	\$24.37	\$32.61
1"	\$24.37	\$32.61
1-1/2"	\$24.37	\$32.61
2"	\$24.37	\$32.61
3"	\$24.37	\$32.61
4"	\$24.37	\$32.61
6"	\$24.37	\$32.61
8"	\$24.37	\$32.61
Gallonage Charge/M Gal. (6,000 Max)	\$4.62	\$5.14

General Service & All Other Classes  
 Base Facility Charge (Monthly Min.)

5/8 x 3/4"	\$24.37	\$32.61
3/4"	-----	48.92
1"	60.94	81.53
1-1/2"	121.87	163.05
2"	194.99	260.88
3"	389.98	521.76
4"	609.35	815.25
6"	1,218.69	1,630.50
8"	-----	3,261.00
Gallonage Charge/M Gal. (No Max.)	\$5.55	\$6.17

4. Applicant does not anticipate any major issues to be involved in this proceeding. This Commission is expected to review and determine the Applicant's rate base, cost of capital, net operating income, revenue requirements, and, ultimately, the appropriate level of rates and charges for service.

5. A description of the ratemaking process and the time schedule established for the rate case is as follows:

The Commission requires that certain information be filed in applications for adjustment of rates. The requirements are referred to as Minimum Filing Requirements ("MFRs"). Applicant's application was accepted by the Commission on May 19, 1995, as complete. Applicant's application and its schedules reflect a proposal to increase its annual operating revenues by \$480,078 for wastewater, which will result in a 22.73% increase. The proposed rate of return is 9.08% on a rate base of \$8,404,278 for its wastewater operations. Commission Staff will hold a customer meeting on July 12, 1995, at the Mariner's Inn Restaurant, 3448 Marinatown Lane, North Ft. Myers, Florida. The Commission will consider Applicant's request for increased final rate relief at the Agenda

Conference on October 10, 1995, and will issue a Proposed Agency Action Order thereon by October 30, 1995. If the Proposed Agency Action Order is not protested within twenty-one (21) days of issue, it will become final and effective. If protested, the Commission will hold a public hearing on Applicant's request on May 28, 1996. (This schedule is tentative and subject to change by the Commission.)

6. A complete copy of the MFRs are available at the Applicant's headquarters:

Florida Cities Water Company  
4837 Swift Road, Suite 100  
Sarasota, Florida 34231

and at the service area office:

Florida Cities Water Company  
North Ft. Myers Division  
7401 College Parkway  
Ft. Myers, Florida 33911

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Re: Application of Florida Cities Water )  
Company, North Ft. Myers Division, )  
for an increase in wastewater rates in )  
Lee County, Florida )

Docket No. 950387-SU

Filed: June 16, 1995

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the Synopsis for the above application was sent by U.S. Mail on June 16, 1995 to the following:

John Albion  
Chairman of the Board of  
County Commissioners of Lee County  
2120 Main Street  
Ft. Myers, Florida 33901

and

Donald Stillwell, County Manager  
P.O. Box 398  
Ft. Myers, Florida 33902



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B. Kenneth Gatlin  
Fla. Bar #0027966  
Gatlin, Woods, Carlson & Cowdery  
1709-D Mahan Drive  
Tallahassee, Florida 32308  
(904) 877-7191

Attorneys for  
FLORIDA CITIES WATER COMPANY

## NOTICE

Notice is hereby given, pursuant to Rule 25-22.0407, Florida Administrative Code, that Florida Cities Water Company has applied to the Florida Public Service Commission for a rate increase for its wastewater service in Lee County, North Ft. Myers Division, Docket No. 950387-SU. Florida Cities Water Company has also applied to the Commission for approval of an increase in wastewater plant capacity charges in Lee County, North Fort Myers Division, Docket No. 950586-SU, separate from the above rate case docket.

A rate increase is necessary to allow the utility to recover the reasonable and prudent costs of providing service and an opportunity to earn a fair and reasonable rate of return.

The following is a comparison of the present and proposed rates.

### WASTEWATER SERVICE

<u>Class/Meter Size</u>	<u>Present Rates</u>	<u>Proposed Final Rates</u>
<b>Residential</b>		
Base Facility charge (Monthly Min.)		
5/8 x 3/4"	\$24.37	\$32.61
3/4"	\$24.37	\$32.61
1"	\$24.37	\$32.61
1-1/2"	\$24.37	\$32.61
2"	\$24.37	\$32.61
3"	\$24.37	\$32.61
4"	\$24.37	\$32.61
6"	\$24.37	\$32.61
8"	\$24.37	\$32.61
Gallonge Charge/M Gal. (6,000 Max)	\$4.62	\$5.14
<b>General Service &amp; All Other Classes</b>		
Base Facility Charge (Monthly Min.)		
5/8 x 3/4"	\$24.37	\$32.61
3/4"	-----	48.92
1"	60.94	81.53
1-1/2"	121.87	163.05
2"	194.99	260.88
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4"	609.35	815.25
6"	1,218.69	1,630.50
8"	-----	3,261.00
Gallonge Charge/M Gal. (No Max.)	\$5.55	\$6.17

**CASE SCHEDULE**

The following dates have been established to govern the key activities of this case:

- |    |  |                  |
|----|--|------------------|
| 1. | Customer Meeting   | July 12, 1995    |
| 2. | Agenda Conference on Final Rates                                       | October 10, 1995 |
| 3. | Proposed Agency Action Order on Final Rates                            | October 30, 1995 |
| 4. | Prehearing Conference, if Proposed Agency<br>Action Order is Protested | April 22, 1996   |
| 5. | Hearing if Proposed Agency Action Order is<br>Protested                | May 28, 1996     |

This schedule is tentative and subject to change by the Commission.

A copy of the application, minimum filing requirements and synopsis are available for inspection at the Utility's offices as follows:

Florida Cities Water Company  
4837 Swift Road, Suite 100  
Sarasota, Florida 34231  
Telephone: (813) 925-3088

Florida Cities Water Company  
North Ft. Myers Division  
7401 College Parkway  
Ft. Myers, Florida 33911  
Telephone: (813) 936-0247

Business Hours: 8:00 a.m. - 5:00 p.m.  
Monday through Friday

Written comments concerning the utility's service or the proposed rate increase should be addressed to the Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and should reference Docket No. 950387-SU. Complaints regarding service may be made to the Commission's Division of Consumer Affairs at the following toll-free number: 1-800-342-3552.

The Commission will be reviewing the utility's service availability charges in the pending rate case and may adjust those charges.

NOTICE issuance date: \_\_\_\_\_, 1995

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Application of Florida Cities Water )  
Company, North Ft. Myers Division, for )  
an Increase in Wastewater Rates in )  
Lee County, Florida )

Docket No. 950387-SU

**NOTICE OF CUSTOMER MEETING**

NOTICE IS HEREBY GIVEN that the Staff of the Florida Public Service Commission will hold a customer meeting regarding the application of Florida Cities Water Company, North Ft. Myers Division (Applicant), for increased rates and charges for wastewater service, at the following time, date, and location:

6:30 p.m. - 8:30 p.m., Wednesday, July 12, 1995  
Mariner's Inn Restaurant  
3448 Marinatown Lane  
Nort Ft. Myers, Florida 33903

**PURPOSE**

The purpose of the meeting is for the Applicant's customers to provide sworn testimony concerning the quality of service provided by Applicant and such other matters as may pertain to Applicant's application for increased rates and charges.

**JURISDICTION**

The Florida Public Service Commission is vested with jurisdiction over this matter by virtue of Chapter 367, Florida Statutes. The meeting will be held in accordance with such Chapter and with Chapters 9, 22, and 30, Florida Administrative Code.

This Notice was prepared by Florida Cities Water Company and approved by the Staff of the Florida Public Service Commission.