

Commissioners:
SUSAN F. CLARK, CHAIRMAN
J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING
JOE GARCIA

State of Florida



Blanca S. Bayó, Director
Division of Records and Reporting
(904) 413-6770

Public Service Commission

DATE: August 23, 1995
TO: Parties of Record
FROM: Blanca S. Bayó, Director *BSB*
Division of Records and Reporting
RE: Docket No. 920199-WS - Application for a rate increase by Southern States Utilities, Inc.
Docket No. 930880-WS - Investigation into the appropriate rate structure for Southern States Utilities, Inc.

This is to inform you that the Commissioners have reported the following communication in the above referenced docket.

- Letter from Florida State Senator Ginny Brown Waite dated July 10, 1995.

This letter, a copy of which is attached, is being made a part of the record in these proceedings. Pursuant to Section 350.042, F.S., any party who desires to respond to an ex parte communication may do so. The response must be received by the Commission within 10 days after receiving notice that the ex parte communication has been placed on the record.

ACK _____
AFA _____
APP _____
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CMU _____
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EAG _____
LEG _____
LIN _____
OPC _____
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WAS _____
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FPSC-RECORDS/REPORTING

State of Florida

Susan F. Clark
Chairman



Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
(904) 413-6040
FAX (904) 487-1716

Public Service Commission

August 1, 1995

The Honorable Ginny Brown-Waite
Senator, 10th District
The Florida Senate
County Office Building
20 North Main Street
Room 200
Brooksville, Florida 34601

Dear Senator Brown-Waite:

Thank you for sharing with me the Tampa Tribune editorial about Southern States Utilities, Inc.

The First District Court of Appeal reversed the Commission's decision in Docket No. 920199-WS, regarding the establishment of uniform rates for Southern States. The Court determined that the Commission must find that Southern States' facilities are "functionally related" in order to constitute a "system" for which uniform rates can be established.

The Commission and Southern States filed Motions for Rehearing of the Court's decision. In addition, Southern States sought to have the court certify the case to the Florida Supreme Court for a ruling on the basis that the case involved a question of great public importance. On June 27, 1995, the First District Court of Appeal denied the motions for rehearing and certification.

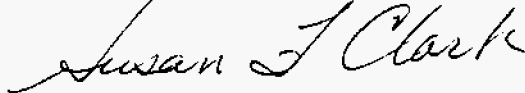
On July, 17, 1995, the Commission received the Court's Mandate commanding the Commission to hold further proceedings in accordance with the Court's opinion. The Mandate is the official communication of the Court's final judgment to the Commission.

On July 19, 1995, Southern States filed a Notice to Invoke the Discretionary Jurisdiction of the Supreme Court. The utility is seeking the Supreme Court's review of the District Court of Appeal's decision. The Commission filed a Notice of Joinder as Petitioner and Adoption of Brief of Southern States Utilities on July 28, 1995. I assure you that the Commission will take

The Honorable Ginny Brown-Waite
August 1, 1995
Page 2

appropriate action as soon as the Supreme Court completes its
consideration of this matter.

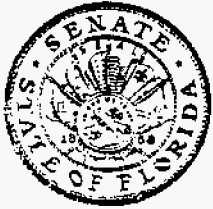
Sincerely,



Susan F. Clark
Chairman

c: Division of Records and Reporting
Docket Nos. 920199-WS and 930880-WS

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THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

SENATOR GINNY BROWN-WAITE

10th District

July 10, 1995

COMMITTEES:

Natural Resources,
Chairman
Executive Business, Ethics and Elections
Health Care
Transportation
Ways and Means,
Sub. B (Education)

JOINT COMMITTEE:

Advisory Council on Intergovernmental Relations,
Alternating Chairman

*Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0850*

Attention: Ms. Susan F. Clark, Chair

Dear Ms. Clark:

Enclosed is but the latest newspaper article on Southern States Utilities and the uniform rate case issue.

When the public sees the blatant anti-consumer attitude the Public Service Commission has toward the S.S.U. customer it is no wonder we legislators are inundated with calls for an elected Public Service Commission. For a long time I was not in favor of such an elected body fearing a political entity vs. appointed. However, the S.S.U. action has changed my mind and that of many legislators.

Sincerely,

*Ginny Brown-Waite
State Senate District 10*

GBW:ls

*CC: J. Terry Deason, Commissioner
Julia L. Johnson, Commissioner
Diane K. Kiesling, Commissioner
Joe Garcia, Commissioner*

RECEIVED
JUL 11 1995
Susan F. Clark, Commissioner
Commissioner Clark

REPLY TO:

☐ County Office Building, 20 North Main Street, Room 200, Brooksville, Florida 34601 (904) 544-2344
☐ 316 Senate Office Building, Tallahassee, Florida 32399-1100 (904) 487-5040
1-800-94 WAITE

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President

MALCOLM E. BEARD
President Pro Tempore

JOE BROWN
Secretary

WAYNE W. TODD, JR.
Sergeant at Arms



THE RIVERWALKER
Neil Johnson

Customers scoring points but losing

The score should be Spring Hill customers, 2. Southern States Utilities, 1.

Unfortunately, this isn't a ball game. So far, the utility company is winning.

That is if you measure the victory not by the score, but the fact SSU is still hanging on to millions in excessive utility bills. Spring Hill customers have been paying since 1993.

Probably, SSU would rather have the money.

Twice, the District Court of Appeal has handed SSU a defeat in its quest to continue charging all its customers the same rate for water and sewer service.

That uniform rate — for all of the more than 120 utilities SSU owns — means some customers are paying more than it would cost to operate their utility system.

Other customers of SSU, who have small, decrepit, run-down or just expensive systems, aren't paying close to what it costs to keep them running.

It amounts to a subsidy from Spring Hill customers and comes out to a couple million a year in excess fees.

According to the court's rulings, that money doesn't belong to the utility company. It belongs to the customers who paid the excessive bills.

This district court has already decided that SSU didn't present enough evidence to the state to be allowed to charge uniform rates.

That ruling means the state decision to impose those uniform rates was improper. The state didn't have the right to let SSU charge those rates.

No change

That should have meant that the state would order SSU to repay — or at least give credits on future bills — for all those Spring Hill customers who have been paying too much.

It makes sense. The court said the rates were set without evidence to support them, so customers should get their money back.

That was Spring Hill customers, 1.

Now, more recently, the district court has refused to give SSU another hearing on the rate issue, essentially saying the first ruling was fine, go away and don't bother us anymore.

That was Spring Hill customers, 2.

In between, SSU scored when the utility-loving bunch on the Public Service Commission decided the company was indeed a statewide utility, even though all its little utility systems are separate.

As a statewide utility — like Florida Power or Southern Bell — the company is allowed to charge all its customers the same price regardless of the cost of providing the service.

That was SSU, 1.

And apparently with the PSC on your side, you don't need to score many points to win.

You just stall and delay.

People like County Attorney Bruce Snow and Mike Twomey are working to make the PSC tell the utility to repay its excessive fees. It's sad that attorneys even have to do that.



Snow

The public

Remember the Public Service Commission?

Shouldn't those highly paid commissioners be looking out for the public that pays their salaries, at least until their terms end and they go to work for a utility?

You'd think they would look at the court's two rulings and decide they made a mistake and want to correct it.

You'd think that, anyway.

There's no way the utility is going to hand over the excess profits just because it shouldn't have been collecting all that money for two years.

And it's not going to suddenly realize the complete unfairness of charging Spring Hill customers the cost of keeping some junky system in East Jawbone operating.

That's part of the reason the PSC was created. Monopolies don't have any conscience. Individual customers can't shop around for water and sewer service and don't have the power to protect themselves.

But when the PSC and utility are so cozy, the public winds up helpless.

What makes this even worse is that the PSC seems to be doing everything it can to keep the uniform rates in place and help SSU make more money. Instead of helping the public in these fights, or at least being neutral, it's helping the utility.

State of Florida



Public Service Commission

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

DATE: July 31, 1995

TO: Blanca Bayó, Director of Records and Reporting

FROM: Susan F. Clark, Chairman *SFC*

RE: Docket Nos. 920199-WS and 930880-WS

RECEIVED
JUL 31 1995

CPSC RECORDS/REPORTING

I have attached a copy of a letter of July 10, 1995, from Florida State Senator Ginny Brown-Waite, which references matters at issue in the above-referenced proceedings. I have also attached a copy of my response. Please place this memorandum and attachment on the record of the above-referenced proceedings. Also, please give notice of this communication to all parties to the dockets and inform them that they have 10 days from receipt of the notice in which to file a response.

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