

State of Florida

Commissioners:

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DIVISION OF LEGAL SERVICES  
NOREEN S. DAVIS  
DIRECTOR  
(904) 413-6199

Public Service Commission

March 1, 1996

Ms. Stephanie Wallen  
5517 S.W. 69th Terr.  
Gainesville, FL 32608

Re: Docket No. 951234-WS - Application of Arredondo Utility Corporation, Inc.  
for a staff-assisted rate case in Alachua County.

Dear Ms. Wallen:

This will confirm that Commission Staff will hold a customer meeting at 7:00 p.m. on Wednesday, March 27, 1996. The location of the meeting will be the Wiles Kimbally Elementary School, 4601 Southwest 75th Street, Gainesville, 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.

ACK \_\_\_\_\_  
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 date 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 January 22, 1996, and the accounting report dated March 1, 1996, are enclosed. Please ensure that a copy of the complete

*Carol*

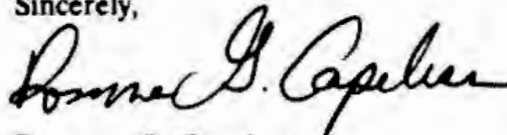
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PSC RECORDS/REPORTING

**Continuation of Letter to:**  
Ms. Stephanie Wallen  
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Application for Staff Assistance and the reports are available for review by all interested persons at the utility's office, 5517 S.W. 69th Terr., Gainesville, Florida, during its regular hours (9:00 a.m. to 5:00 p.m.).

If you have any questions, please do not hesitate to call me at (904) 413-6224.

Sincerely,



Rosanne G. Capeless  
Staff Counsel

RGC/mw

Enclosures

cc: Office of Public Counsel  
Division of Consumer Affairs  
Division of Records & Reporting  
Division of Water & Wastewater (Okome, Bethea)  
Hearing Reporter  
Public Information

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF

ARREDONDO UTILITY CORPORATION, INC.

AND

ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 951234-WS

APPLICATION FOR STAFF-ASSISTED RATE CASE IN ALACHUA  
COUNTY BY ARREDONDO UTILITY CORPORATION, INC.

DATED: \_\_\_\_\_

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

7:00 p.m., Wednesday, March 27, 1996  
Wiles Kimbally Elementary School  
4601 Southwest 75th Street  
Gainesville, 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.

Any person requiring some accommodation at this customer meeting because of a physical impairment should call the Division of Records and Reporting at (904) 413-6770 at least five calendar days prior to the customer meeting. If you are hearing or speech impaired, please contact the Florida Public Service Commission using the Florida Relay Service, which can be reached at 1 (800) 955-8771 (TDD).

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.

#### BACKGROUND

Arredondo Utility Corporation, Inc., is a Class C water and wastewater utility located in Alachua County. It provides service to 455 water customers and 224 wastewater customers.

The test period for setting rates is the historical test year ended October 31, 1995. According to the Staff audit and preliminary analysis, the utility's test year revenues were \$78,644 for water and \$32,790 for wastewater. Test year operating expenses were \$110,287 for water and \$56,132 for wastewater. The resulting net losses are \$31,643 for water and \$23,342 for wastewater.

#### CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. These rates are preliminary and subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners. The utility's current and Staff's preliminary rates and charges are as follows:

WATER RATES  
MONTHLY

Residential and General Service

Base Facility Charge

<u>Meter Size</u>	<u>Current Rates</u>	<u>Staff's Preliminary Rates</u>
5/8" x 3/4"	\$ 7.34	\$ 10.06
3/4"	11.01	15.08
1"	18.34	25.14
1 1/2"	36.70	50.28
2"	58.72	80.45
3"	117.45	160.90
4"	183.52	251.41
6"	367.04	502.83

Gallage Charge

Per 1,000 gallons	\$ 1.05	\$ 2.38
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Note: the base facility charge includes no gallage N/A

WASTEWATER RATES  
MONTHLY

Residential and General Service

Base Facility Charge

<u>Meter Size</u>	<u>Current Rates</u>	<u>Staff's Preliminary Rates</u>
5/8" x 3/4"	\$ 7.74	\$ 12.00
3/4"	11.60	18.00
1"	19.35	30.00
1 1/2"	38.71	60.00
2"	61.94	96.00
3"	123.88	192.00
4"	193.57	300.00
6"	387.14	599.99

<u>Residential Gallonage Charge</u>		
Per 1,000 gallons	\$ 0.95	\$ 2.58
(7,000 gallons max.)		
<u>General Service</u>		
<u>Gallonage Charges</u>	\$ 0.95	\$ 3.09
Flat Rate for Unmetered Customers	\$ 14.41	N/A

Miscellaneous Service Charges - Water

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

Initial Connection - This charge would be levied for service at a location where service did not exist previously.

Normal Reconnection - This charge would be levied for transfer of service to a new customer account at a previously served location or reconnection of service subsequent to a customer-requested disconnection.

Violation Reconnection - This charge would be levied prior to reconnection of an existing customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

Premises Visit Charge (In Lieu of Disconnection) - This charge would be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$15.00
Normal Reconnection Fee	\$15.00
Violation of Reconnection Fee	\$15.00
Premises Visit Fee (in lieu of disconnection)	\$10.00

Miscellaneous Service Charges - Wastewater

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

Initial Connection - This charge would be levied for service at a location where service did not exist previously.

Normal Reconnection - This charge would be levied for transfer of service to a new customer account at a previously served location or reconnection of service subsequent to a customer-requested disconnection.

Violation Reconnection - This charge would be levied prior to reconnection of an existing customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

Premises Visit Charge (In Lieu of Disconnection) - This charge would be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$15.00
Normal Reconnection Fee	\$15.00
Violation of Reconnection Fee	\$Actual Cost
Premises Visit Fee (in lieu of disconnection)	\$10.00

SERVICE AVAILABILITY FEE

The utility's tariff calls for meter installation charges of \$110. These charges were approved by Commission Order No. PSC-93-0509-POP-WS, issued April 5, 1993. Staff's preliminary recommendation is the same as the current tariff at this time. Staff will leave all final analysis for the final recommendation.

NOTICE OF CUSTOMER MEETING  
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### STAFF REPORTS AND UTILITY APPLICATION

The results of Staff's preliminary investigation are contained in an accounting report dated March 1, 1996, and an engineering report dated January 22, 1996. Copies of the reports may be examined by interested members of the public from 9:00 a.m. through 5:00 p.m., Monday through Friday at 5517 S.W. 69th Terr., Gainesville, Florida.

### PROCEDURES AFTER CUSTOMER MEETING

After the meeting, Staff will prepare and submit a recommendation to the Commission. The Commission will 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  
Gerald L. Gunter Building  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

All correspondence should refer to "Docket No. 951234-WS - Application for staff-assisted rate case in Alachua County by Arredondo Utility Corporation, Inc."

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.