



Public Service Commission

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

DATE: September 11, 1996
TO: Blanca Bayo, Director of Records and Reporting
FROM: Bob Casey, Regulatory Analyst, Water and Wastewater Division
RE: Docket No. 960975-WS, Application for a Staff Assisted Rate Case by Useppa Island Utility, Inc. in Lee County

Please place a copy of the attached letter from Useppa Island Utility, Inc., which requests a preliminary rate increase, in the above Docket file. Thank You.

cc: Division of Water and Wastewater (Hill, Bethea, Davis)
Division of Legal Services (Vaccaro)

- ACK _____
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USEPPA ISLAND UTILITIES, INC

September 3, 1996

Mr. D. Neil Bethea, Supervisor
Bureau of Special Assistance
Florida Public Service Commission
2540 Shamard Oak Boulevard
Tallahassee, FL 32399-0873

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Florida Public Service Commission
Division of Water and Wastewater

Dear Mr. Bethea:

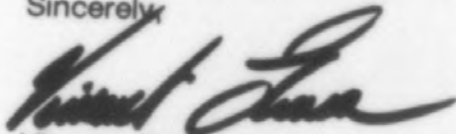
As we discussed, Useppa Utilities Company, Inc. has recently submitted the Florida Public Service Commission Application for a Staff Assisted Rate Case. During our telephone conversation you confirmed receipt of this document. If during your review of this application, you find that you will require additional information, please contact me directly. As I pointed out it is my objective to expedite the application and actual Rate Case procedure in order to realize some relief for the economic problems of the Utility Company.

My next point is to formally request of the Commission a preliminary rate increase to aid in providing some immediate economic relief to a very serious problem. We are concerned that the Utility will not be financially capable of providing the level of Service to our customers that will be required. This problem is basically in the water production area of Useppa Utilities, Reverse Osmosis Water Plant. With added requirements from Regulatory Agencies, re-permitting, consultant fees and mechanical failure the situation is quite serious.

I have enclosed a 1993, 1994, 1995 and current 1996 financial statement for Useppa Utilities, Inc. As you can see, the Utility Company has realized significant losses during 1994, 1995 and year to date 1996.

After you have taken the time to fully review these documents and find that you have questions, please do not hesitate to contact me directly. I will look forward to hearing from you soon.

Sincerely,



Vincent Formosa
Vice President & General Manager

VF:jjp

P.O. Box 640, Bokeelia, Florida 33922 • (813) 285-1061 DOCUMENT NUMBER-DATE

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