

FILE COPY

MEMORANDUM

November 20, 1996

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (AGARWAL)

RE: DOCKET NO. ~~960119~~-WS - Application for increase in rates and services availability charges in Lee County by Gulf Utility Company

Please file the attached letter in the above referenced docket.

RA/dp

Attachment

cc: Division of Water and Wastewater (Willis, Crouch, Fuchs, Galloway, Merchant, Rendell, VonFossen, Webb, Xanders)

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APP _____

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FPSC-RECORDS/REPORTING

GATLIN, WOODS & CARLSON
Attorneys at Law
a partnership including a professional association

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November 8, 1996

HAND DELIVERY

Mr. Raj Agarwal, Esquire
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 960329-WS
Application of Gulf Utility Company for a
Water and Wastewater Rate and Service Availability
Charge Adjustment in Lee County, Florida

Dear Mr. Agarwal:

Gulf Utility Company has only one way to dispose of the treated effluent from its wastewater treatment, which is the spraying of the treated effluent on golf courses. Gulf presently has contracts with four golf course owners providing for the acceptance from Gulf of a minimum amount of treated wastewater to be sprayed on each of the golf courses.

Gulf is attempting to secure agreements for discharge of treated effluent with property owners who intend to build additional golf courses. The golf course method of effluent disposal by Gulf is beneficial to Gulf and its customers. Any other alternative would be extremely more costly. Gulf does not receive any compensation from the golf course owners. Gulf does not propose any charge to the golf course owners. This is because Gulf needs the golf courses for disposal more than the golf course needs the effluent. As all the golf courses have their own well systems to provide supplemental water for irrigation, there is no economic benefit for them paying Gulf for effluent.

Gulf wishes to advise the Staff of the consequence of proposing the setting of a rate for the golf course disposal. That consequence may very well be creating the necessity for Gulf to make substantial investment in alternate disposal methods. This would adversely effect Gulf and its customers.

Very truly yours,



B. Kenneth Gatlin

BKG/met
cc: Steve Reilly (via U.S. Mail)

U.S.A. L.L.