

Re: 971009-EM

# UTILITIES COMMISSION

CITY OF NEW SMYRNA BEACH, FLORIDA  
ELECTRIC, WATER, POLLUTION CONTROL  
Post Office Box 100 - 200 Canal St.  
New Smyrna Beach, Florida 32170-0100  
(904) 427-1361



August 20, 1997

Ms. Elizabeth Draper  
State of Florida Public Service Commission  
Bureau of Electric Regulation  
Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

22

RE: Residential Rate Reduction

Dear Ms. Draper:

The Utilities Commission, City of New Smyrna Beach, Florida, has an on-going program to improve efficiencies and power supply in an effort to reduce rates to all customers while maintaining system reliability and adequate reserves.

On October 1, 1996, the Utilities Commission reduced residential rates by 4%, demand commercial customers by 8%, and non-demand commercial customers by 20%. Those reductions placed the cost ratios of the three classes at or close to the ratios of the investor-owned utilities in the state.

The Utilities Commission has also held public hearings and filed with the FPSC for an additional rate reduction of 5% for residential customers, effective October 1, 1997. The Utilities Commission has also budgeted and announced similar rate reductions for both classes of commercial customers effective October 1, 1998. When these reductions are complete, the Utilities Commission's cost ratios will be at or close to the investor-owned utilities within the state.

ACK  
A: 1  
A: -  
C: 1  
D: 1  
E: 1  
W: 1  
Q: 1

If you have any additional questions, please call at 904-423-7100.

Sincerely,

Ronald L. Vaden  
Utilities Director

RLV/ds

DOCUMENT NUMBER - DATE

08530 AUG 25 97

FPSC-RECORDS/REPORTING