

State of Florida

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DIVISION OF WATER &
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Public Service Commission

November 24, 1997

Mr. Martin S. Friedman, Esq.
Rose, Sundstrom & Bentley
P. O. Box 1567
Tallahassee, FL 32302-1567

Re: Docket No. 960288-SU, Application for approval of reuse project plan in Seminole County by Alafaya Utilities, Inc.

Dear Mr. Friedman:

In response to questions and concerns that were raised at the customer meeting in this case, please respond to the following.

1. With regard to the city's attempt to issue bonds in order to provide reuse to certain customers in the utility's certificated wastewater service area:
 - a) Did the utility attempt to impede the city's efforts to issue the bonds?
 - b) If the response to (a) is affirmative, please explain both how and why the utility attempted to impede the city's efforts in this regard.
 - c) Is the utility presently attempting to impede the city's efforts in this regard?
 - d) If the response to (c) is affirmative, please explain both how and why the utility is attempting to impede the city's efforts in this regard.
 - e) Does the utility anticipate attempting to impede any future attempts of the city to issue the bonds?
 - f) If the response to (e) is affirmative, please explain both how and why the utility plans to impede the city's efforts in this regard.
2. With regard to the utility's proposed monthly reuse availability fee:
 - a) Based on the comments made by several customers at the customer meeting that they did not believe a reuse availability charge is appropriate, does the utility wish to continue with the proposed charge such a fee?

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- b) If the utility no longer wishes to charge a reuse availability fee, how does the utility contemplate the revenues associated with that fee will now be generated?
3. One aspect of utility operations that Staff encourages is interaction between the utility and its customers, as we believe these exchanges foster cooperation and goodwill. At the customer meeting, the utility was invited to attend a meeting with one of the homeowners' associations in order to discuss various aspects of this case.
- a) Does the utility intend to attend the aforementioned homeowners' association meeting?
b) If the response to (a) is negative, please explain.

In addition to the above-referenced questions that were raised at the customer meeting, Staff asks the utility to respond to the following.

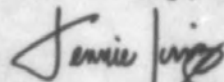
4. With regard to a long range plan for the utility to provide reuse service:
- a) Does the utility have such a long range plan to provide reuse service?
b) If the response to (a) is affirmative, please describe all aspects of the plan. This response should include, but not be limited to, a description of:
1) when the utility believes meter installations for its reuse customers would be appropriate;
2) an estimate of the retrofit costs associated with providing reuse within each of the utility's existing subdivisions, and the estimated time necessary to make such retrofits in each of the subdivisions served by the utility;
3) whether the utility plans to survey its customers with respect to the desirability and associated costs of reuse; and
4) what information will be obtained from the customer's application to receive reuse service.
c) If the response to (a) is negative, please explain why the utility does not have such a plan.

Martin S. Friedman, Esquire
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5. As requested of the utility in prior data requests, please provide:
- a) the amount of actual expense incurred to date. In this response, please provide the detailed billing records which indicate, for each billable hour or portion thereof, the person performing the billable task, and rate per hour charged for the person performing the task, and the number of hours (or portion of an hour) that were billed for the particular task. This information should be provided for each month in which the utility was billed.
 - b) a detailed estimate of the rate case expenses necessary to complete this case.

As you are aware, Staff's recommendation in this case is scheduled to be filed on January 22, 1997. In order to allow Staff adequate time to appropriately analyze and evaluate the utility's responses for the recommendation, it is important that you provide the above-requested information by December 19, 1997. As always, if you have questions, please do not hesitate to contact me at 413-6964, or you may also contact Ms. Rosanne Gervasi at 413-6224.

Sincerely,



Jennie Lingo
Economic Analyst
Bureau of Policy Development and
Industry Structure

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cc: Division of Water and Wastewater (Hill, Chase, McRoy,
VonFossen, Xanders)
Division of Legal Services (Gervasi)
Division of Records and Reporting (docket file)

Ms. Sarah M. Whitaker, P.G.
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