



From: Kay Flynn  
To: Marshall Willis, Rosanne Gervasi  
Subject: tw: 970164-WU

RECEIVED

OCT 30 1997

FPSC - Records/Reporting

NOTE: -----10/30/97--08:42am  
TO: Leroy Rasberry  
FROM: Kay Flynn  
We received a letter from a customer (Watson Keep Blair) of Hobe Sound, written regarding a notice he received from the company about a burst major transmission pipe. Although he mentioned the "burst" rate increase" PAA order went out and he did not specifically indicate he was writing to protest it. I will send this letter on to CAF to be logged in on CTS, and I will also copy LEG and WAW on it. Please let me know if we should actually consider it a PAA protest. Thanks, Kay

Fwd-By: Rosanne Gervasi-10/30/97--2:27pm  
Fwd to: Kay Flynn, Marshall Willis  
CC: Leroy Rasberry, Lila Jaber

I have the letter & have spoken to the customer. The letter is not a protest/ request for hearing on the PAA rate case. It is a complaint about the lack of hot water service. The customer said he hasn't decided whether to protest the rate increase. I reminded him that the protest period expires after tomorrow & generally explained what is involved in going to hearing. He will contemplate whether he wishes to file a protest, & if he decides to do so, will send it to RAR via overnight mail & will include the docket number on the filing.

Fwd by: Kay Flynn  
Fwd to: Rosanne Gervasi  
Thanks, Rosanne

970164-WU

From: Kay Flynn  
To: Marshall Willis, Rosanne Stevens  
Subject: 970164-WU

==NOTE==

On: Leroy Rastbury

We received a letter from a customer (Watson Keep Blair) of Hobe Sound, regarding a notice he received from the company about a burst major transmission pipe. Although he mentioned the "recent rate increase" (PAA order went out), he did not specifically indicate he was writing to protest it. I will send this letter on to CAF to be logged in on OIR, and I will also copy LEG and WAW on it. Please let me know if we should actually consider it a PAA protest. Thanks, Kay

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OCT 30 1997

14  
FPSC - Records/Reporting

WATSON KEEP BLAIR  
P.O. DRAWER 218  
HOBE SOUND, FLORIDA 33475

Telephone 561 546 1241  
Fax 561 546 2144

RECEIVED

OCT 29 1997

FPSC - Records/Reporting

October 25 1997

Public Service Commission, State of Florida  
Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

970164-WU

re. Hobe Sound Water Company

Dear Sirs,

I write to notify you that the Hobe Sound Water Company appears to have violated another law. I learned from the Metro Report on page 2B of the Palm Beach Post on Sunday, October 19 that there was "a water-main break in the company's well field" and that "state law requires the company to issue a boil-water notice for 48 hours after a break." The Hobe Sound Water Company did not give any notification of this condition directly to its residential customers. The water main break occurred on Saturday morning, October 18 and I did not learn of the problem until twenty four hours later.

I am enclosing a copy of the Company's October 21 notice to customers, which notice arrived in my P.O. Box today. You will note in that statement that the Company states that it "notified its customers of a "boil water advisory". In fact, the Company did not notify its residential customers.

I live at 338 South Beach Road on Jupiter Island. We have had to suffer through many breaks in the Hobe Sound Water Company's lines in the 10 years that we have been here. As a matter of fact, we have had many washing machine loads of clothes ruined by incredibly muddy water being fed into our house, when the water was turned back on, after a break had been repaired. We have never been given any notices or warnings of line breaks during those ten years.

I wonder whether you would have granted the Company the recent rate increase if you had known what poor service we are and have been given by the Hobe Sound Water Company.

Respectfully yours,

Watson K. Blair



## Hobe Sound Water Company

October 21, 1997

**To the Hobe Sound Water Company Customers,**

On Saturday morning, October 18<sup>th</sup>, you awoke to find very low water pressure. During the early hours of Saturday morning, a major transmission pipe that carries water from our western wellfield to the pumphouse and storage tanks burst.

Although it has been a rainy period, an extraordinary amount of water was used Friday night and early Saturday morning which reduced the amount of water in storage. As morning demand began at 7:00 am, it became impossible to maintain water pressure.

Our crews responded immediately. By rerouting water through a second pipeline under US #1, we were able to pump 3000 gallons per minute into the storage tanks beginning at 8:30 am. By 9:30 am, all transmission and distribution lines were pressurized. Regrettably, the pressure fell below 20 psi and because there is always the risk of contamination, the Company followed state requirements and notified its customers of a "boil water advisory." We placed the advisory in two newspapers, two radio stations and WPTV; additionally, we notified all restaurants within our service area. We sampled our water both Saturday and Sunday and there was no sign of any contaminants.

The pipe that burst was of the finest quality. It was installed in the early 1960's and should have lasted 100 years without a problem. A burst pipe is no one's "fault" — it happens.

On a positive note, our new iron removal plant is on-line, and the finished product -- your drinking water -- has been restored to its historical good taste and clarity. Try it and enjoy!

Nathaniel P. Reed  
President, HSWC

/j

Mailing Address: P.O. Box 68 Hobe Sound, Florida 33475  
Overnight Delivery: 11844 S.E. Old Dixie Highway, Hobe Sound, Florida 33455  
Voice: (561)546-2511 - Fax: (561)546-5019 - E-Mail: hswc@flnet.com

State of Florida

ORIGINAL FILE COPY

Commissioners:  
SUSAN F. CLARK, CHAIRMAN  
J. TERRY DEASON  
JULIA L. JOHNSON  
DIANE K. KIESLING  
JOE GARCIA



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

Public Service Commission

RECEIVED

September 15, 1997

Ms. Geraldine Meno  
11950 SE Indian River Drive  
Hobe Sound, Florida 33455

Re: DOCKET NO. 970164-WU - Application for increase in rates in marion County by Hobe Sound Water Company

Dear Ms. Meno:

Enclosed is a copy of the Staff Recommendation filed in this matter on September 11, 1997. The Commission is expected to consider this Recommendation at its September 23, 1997, Agenda Conference which will be held in Room 148, Betty Easley Conference Center, 4075 Esplanade Way, in Tallahassee beginning at 9:30 a.m. Due to the number of items to be covered at this conference, we cannot state the exact time at which this item will be heard. You are welcome to come to this Agenda Conference and observe and/or participate in the discussion of this item. If you have any questions, please feel free to call me at (904) 413-6199

Sincerely,

Rosanne Gervasi  
Staff Counsel

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APF \_\_\_\_\_
- CAF \_\_\_\_\_
- CMR \_\_\_\_\_ RG/dr
- CTP \_\_\_\_\_
- EAL \_\_\_\_\_
- LEA \_\_\_\_\_
- LIF \_\_\_\_\_
- PHI \_\_\_\_\_
- RTH \_\_\_\_\_
- SEL \_\_\_\_\_
- WAS \_\_\_\_\_
- YTH \_\_\_\_\_

cc: Division of Water and Wastewater (Willis, Crouch, Galloway, Lingo, Merchant, Moniz, Munroe, Rendell)  
Division of Records and Reporting

DOCUMENT NUMBER DATE

19406 SEP 15 97



Public Service Commission  
**RECEIVED**

-M-E-M-O-R-A-N-D-U-M 1997

~~FPSC - Records/Reporting~~

**DATE:** August 5, 1997  
**TO:** Division of Records & Reporting  
**FROM:** Rosanne G. Capeless, Senior Attorney, Division of Legal Services *RGC*  
**RE:** Docket No. 970164-WU - Application for increase in rates in Martin County by Hobe Sound Water Company.

Please add the following individuals to the mailing list in the above referenced docket

Eaglewood Homeowners Association, Inc  
8500 S.E. Eaglewood Way  
Hobe Sound, FL 33455

Ms. Geraldine Meno  
11950 S E Indian River Dr  
Hobe Sound, FL 33455

Jim Spurgeon  
P. O. Box 7  
Hobe Sound, FL 33475

Martin DiMago  
12861 S E Laurel Valley Lane  
Hobe Sound, FL 33455

John Bogue  
12851 S.E. Laurel Valley Lane  
Hobe Sound, FL 33455

RGC:mw

cc: Division of Water & Wastewater (Willis, Crouch, Galloway, Lingo,  
Merchant, Moniz, Munroe, Rendell)

State of Florida

Commissioners  
RUTH E. JOHNSON, CHAIRMAN  
SUSAN E. CLARK  
J. TERRY DEASON  
JOE GARCIA  
DIANE K. KIESLING



DIVISION OF RECORDS &  
REPORTING  
BLANCA N. BAYLE  
DIRECTOR  
(904) 413-6770

# Public Service Commission

A-C-K-N-O-W-L-E-D-G-M-E-N-T

DATE: \_\_\_\_\_

TO: \_\_\_\_\_  
FROM: \_\_\_\_\_, DIVISION OF RECORDS AND REPORTING  
RE: ACKNOWLEDGMENT OF RECEIPT OF CONFIDENTIAL FILING

THIS WILL ACKNOWLEDGE RECEIPT OF A *CONFIDENTIAL DOCUMENT*  
FILED IN DOCKET NO. \_\_\_\_\_ OR (IF FILED IN AN UNDOCKETED  
MATTER) CONCERNING \_\_\_\_\_, AND  
FILED ON BEHALF OF \_\_\_\_\_ (GENERAL DESCRIPTION)  
THE  
DOCUMENT WILL BE MAINTAINED IN LOCKED STORAGE.

ANY QUESTIONS REGARDING THIS MATTER SHOULD BE DIRECTED TO  
KAY FLYNN AT (904) 413-6744.

PSC/RAR 19 (4/97)



Irvin M. Seitz  
8861 SE Eaglewood Way  
Hobe Sound, FL 33455



Florida Public Service Commission  
Bureau of Consumer Information and Conservation Education  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

32399-0850 01

Florida Public Service Commission

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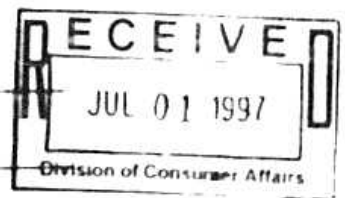


# Hobe Sound Water Company

(3)

DOCKET NO 970164-W1

Name Expt Mrs Lestine J. Lane  
Address 13042 Crooked Stick Lane  
Hobe Sound, FL 33455



If you want to let the Public Service Commission know how you feel about this case, please fill out this comment form and return it by mail. It will be placed in the correspondence file of this docket

Ten years ago the "Hobe Sound West League" was formed, since  
in the Market Place, the called HSWC to connect and service.  
It took several calls and much longer searching to find  
the proper meter and valve to connect service. Last  
past year we moved to larger quarters in the Market  
Place and once again called HSWC for service. Some  
years later the service was even worse than  
before. It took several hours to locate the meter  
and valve both of which were damaged and leaking.  
Our impression of HSWC is a very inefficient and  
poorly managed company that has not grown with  
the community and kept abreast of the new equipment  
necessary. They may be entitled to some rate  
adjustment due to inflation, but not to cover  
their inefficient operations.

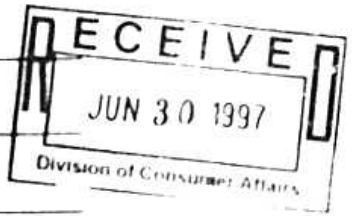
Fold and tape -- see back for address

# Hobe Sound Water Company

DOCKET NO 970164-WU

Name Clifford P. Seitz

Address 8861 S.E. Eaglewood Way  
Hobe Sound, Fl. 33455



If you want to let the Public Service Commission know how you feel about this case, please fill out this comment form and return it by mail. It will be placed in the correspondence file of this docket.

I have no information from the Hobe Sound Water Company that would allow me to make a judgement regarding the justification for their request other than the statement that they want "to recover the costs for a ground water filtration system and current operating expenses". That is hardly a sufficient basis on which a consumer can make an intelligent decision regarding the reasonableness of their request. I trust you to thoroughly examine the basis of the request and assure the consumers we are being reasonably assessed.

I have a few thoughts I would like to call to your attention.

- o Meter Charge: is noted on my billis \$13.59. This monthly chage was introduced some time ago when a rate increase was denied. I can't imagine that a meter would cost more than a few hundred dollars with a service life of 10 to 20 years. To ~~46~~ charge \$13.59 a month, \$163 ayear and \$1630 in 10 years seems like an unreasonable billing; to raise it is unconscionable.
- o The proposed increase in gallonage charge is less percentagewise as the number of gallons used rises. This seems inconsistent with the view that a user should be rewarded for conservation rather than the more you use the less you pay.

*Clifford P. Seitz*  
 Clifford P. Seitz  
 June 27, 1997

Fold and tape -- see back for address

C.S. Munson, Jr.

101 South Trail

Hobe Sound, FL 33455

37  
USA



Florida Public Service Commission  
Bureau of Consumer Information and Conservation Education  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

32399/0850 40

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*Tape*

*Fold Here*



FLORIDA PUBLIC SERVICE COMMISSION

RECEIVED

DEAR SIR AND/OR MADAM

RECEIVED  
JUL 02 1997  
DIVISION OF ECONOMIC AFFAIRS

115 113 1147  
FPSC - Records/Reporting

I REGRET THAT PREVENTED MY ATTENDANCE AT THE PUBLIC MEETING JUNE 25, REGARDING THE REQUEST OF THE HOBE SOUND WATER CO'S RATE REQUEST.

NO ONE, MYSELF INCLUDED, I BELIEVE CAN BUT BE PLEASED BY THE QUALITY OF THE WATER PROVIDED BY THE HOBE SOUND WATER CO. HOWEVER, I MUST OBJECT TO YOUR MONSTEROUS REQUEST FOR INCREASED RATES PLEASE, CHECK THE INCREASES (GRANTING) SINCE 1992, THESE INCREASES EXCEED, BY ANY MEASURE, INFLATION, AND I AM SURE ANY WAGE INCREASES, EXCEPT, I AM SURE UPPER MANAGEMENT OF THE CO'S EMPLOYEES (LIKE IN THE SAME, I BELIEVE.)

I've been told, that the water Co. plans  
to develop/sell additional residential  
& commercial property within their  
franchise area. And, I feel the expense  
of providing water to these sites should  
be borne by the property owners and  
not current rate payers.

Very truly yours

John P. Bernhard



CAF (1)

RECEIVED

JUN 23 1997

FPSC - Records/Reporting

RECEIVED  
JUN 24 1997  
CONSUMER AFFAIRS

18 July, 1997

Director, Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Gentlemen,

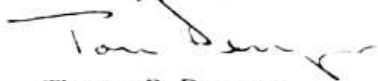
RE: Docket No 970164-WL  
Hobe Sound Water Company

I am writing without benefit of review of the underlying costs and expenditures submitted in support of this most recent rate increase request, and will not be able to attend the public hearing scheduled for the 25th of this month.

That said, a 238% increase in meter costs and 167% increase in gallonage costs over the past three years leads me to ask that you take a very close look at this proposal and most especially whether the future holds similar increases for the subscribers to this water system. Wells are not the answer on Jupiter Island and many of us have only the one company to which we can subscribe. We can only ask that you take a good hard look at the costs and give what ever relief is possible to the end user.

Thank you for your consideration.

Sincerely yours,



Thomas B. Denegre  
105 Gomez Road  
Hobe Sound, FL 33455

(7)

MARTIN DI MASO  
12861 S E Laurel Valley Lane  
Hobe Sound, FL 33455  
July 3, 1997

Florida Public Service Commission  
2540 Schumard Oak Boulevard  
Tallahassee, FL 32399

Hobe Sound Water Company  
Docket No. 970164-WU  
**RECEIVED**  
JUL - 7 1997  
CONSUMER AFFAIRS

Greetings,

I wish to thank the PSC staff for conducting a customer meeting to discuss the Hobe Sound Water Co application for a rate increase

I would like to reiterate the points I made when I spoke at that meeting

I understand the need for the Hobe Sound Water Co (HSWC) to recover the cost associated with the construction of a groundwater filtration system. The HSWC is justified in requesting an increase in water rates. There is no justification for a 38% increase in gallonage charge rates. Rates will have increased 141% since 1994 if approved. Substantially lesser rates to recover costs spread over a greater length of time would be more appropriate.

The request for an increase in base facility charges is without merit and should be dismissed. There is no reason that recovery costs and base charges should be merged and put forth to the PSC. When administrative costs have increased, let HSWC prove that. These are two separate and distinct items and each should be considered on their own merits.

I personally object that residential users are penalized for water usage over 10,000 gallons. The impetus for conservation to both residential and commercial users is the consumption charge. I make an effort to conserve water to keep my water bill low. Keeping the water bill low keeps consumption low. The two go hand in hand for both residential and commercial users. I suggest the penalty rate be removed and there be one gallonage charge per 1000 gallons for residential users.

The previous paragraph leads me to discuss the following. HSWC occasionally (5 out of the past 12 months) reads water meters after the 30 day period. Usually this prolongs the penalty period. I think this is unfair and places another financial burden on the residential user. HSWC should not

default on their obligation to read meters in a timely manner and also reap financial benefits from defaulting on that requirement

In summation, water rates should be increased moderately to recover costs for capital improvement in their plant. Base facility charges should not be increased at all or until HSWC proves a need in the future. Penalty charges for residential users should be repealed and eliminated.

Sincerely,

A handwritten signature in cursive script that reads "Martin Di Maso". The signature is written in black ink and is positioned centrally below the word "Sincerely,".

Martin Di Maso



RECEIVED  
FEB 28 1997

FPSC-RECORDS/REPORTING

February 28, 1997

Ms. Blanca Bayo  
Florida Public Service Commission  
Director of Records & Reporting  
2540 Shumard Oak Blvd.  
Tallahassee FL 32399-0850

Dear Ms. Bayo:

By this letter, I request that Matthew Feil, Esq. be put on the mailing list for the following list of docket:

Docket No. 970164-WU

Hobe Sound Water Company

Mr. Feil's address is as follows:

Matthew Feil, Esq.  
Florida Water Services Corporation  
1000 Color Place  
Apopka FL 32703

If you have any questions, please contact me at (407) 880-0058, ext. 456. Thank you for assistance with this matter.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Cook".

Nancy Cook  
Secretary

State of Florida

Commissioners:  
SUSAN F. CLARK, CHAIRMAN  
J. TERRY DEASON  
JULIA L. JOHNSON  
DIANE K. KIESLING  
JOE GARCIA



DIVISION OF RECORDS &  
REPORTING  
BLANCA S. BAYÓ  
DIRECTOR  
(904) 413-6770

**Public Service Commission**

February 7, 1997

D. Bruce May, Esquire  
Holland & Knight Law Offices  
Post Office Drawer 810  
Tallahassee, Florida 32302-0810

RE: Docket No. 970164-WU

Dear Mr. May:

This will acknowledge receipt of a request for test year approval in Martin County, by Hobe Sound Water Company, which was filed in this office on February 6, 1997 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Division of Records and Reporting  
Florida Public Service Commission