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DIVISION OF LEGAL SERVICES
NOREEN S. DAVIS
DIRECTOR
(850) 413-6199

Public Service Commission

February 23, 1998

B. Kenneth Gatlin, Esquire
Gatlin, Schiefelbein & Cowdery, P.A.
3301 Thomasville Rd., Suite 300
Tallahassee, Florida 32312

RE: Docket No. 971663-WS - Petition of Florida Cities Water Company for limited proceeding to recover environmental litigation costs for North and South Ft. Myers Divisions in Lee County and Barefoot Bay Division in Brevard County.

Mr. Gatlin:

This is to memorialize our telephone conversation of February 16, 1998, during which you suggested that Florida Cities Water Company (FCWC or utility) provide notice of the above-referenced petition for limited proceeding to customers prior to noticing them of the customer meetings to be held in the docket.

As you know, the Commission does not have a noticing rule for petitions for limited proceedings filed under Section 367.0822, Florida Statutes. However, we believe your suggestion is an excellent one. Therefore, we are requesting that the utility utilize Rule 25-22.0407(3), (4), (5), and (8)(a), Florida Administrative Code, Notice of and Public Information for General Rate Increase Requests by Water and Wastewater Utilities, for the purposes of the above-referenced petition.

For your reference, enclosed is a staff-approved sample notice of application, notice of customer meeting, and synopsis, prepared recently for Sanlando Utilities Corporation (Sanlando). We requested that Sanlando utilize the same provisions of Rule 25-22.0407, Florida Administrative Code, for the purposes of its reuse case application which is the subject of the enclosed sample notice. You will note that the sample notice contains a joint notice of application and customer meeting; however, because the customer meetings to be held in the above-referenced docket are months away, we would suggest that the utility prepare two separate notices in this case.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

27

DOCUMENT NUMBER - DATE

02518 FEB 23 98

FPSC RECORDS/REPORTING

B. Kenneth Gatlin, Esquire
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February 23, 1998

Please forward staff a copy of the utility's case synopsis and notice of application for our review and approval as soon as possible. If you have any questions, please feel free to contact me at (850) 413-6224.

Sincerely,



Rosanne Gervasi
Senior Attorney

RG/dr

Enclosure

cc: Division of Records and Reporting (with enclosure)
Division of Water and Wastewater (Willis, Bethea, Crouch, Merchant) (without enclosure)
Division of Legal Services (Ottinot) (without enclosure)

Sample

SANLANDO UTILITIES CORPORATION

NOTICE TO CUSTOMERS OF A REQUEST FOR APPROVAL OF
REUSE PROJECT PLAN AND INCREASE IN WASTEWATER RATES
ASSOCIATED WITH REUSE PROJECT PLAN

AND

NOTICE OF CUSTOMER MEETINGS

Issued February XX, 1998

PSC Docket No. 971186-SU

Notice is hereby given that Sanlando Utilities Corporation (Sanlando or utility) has applied to the Florida Public Service Commission (PSC) for approval of a Reuse Project Plan and increase in rates for wastewater service provided to its customers in Seminole County, Florida. This application is being processed under PSC Docket No. 971186-SU.

THE APPLICATION

The applicant's St. Johns River Water Management District (SJWMD) Consumptive Use Permit Number 2-117-0006UR2, issued November 11, 1997, and proposed renewal of their Florida Department of Environmental Protection (FDEP) Wastewater Permit Number FL0036251 require that the Utility implement a reuse program. To satisfy the permit conditions, the Utility proposes to construct a reuse treatment facility and transmission and distribution mains. The project is designed to provide reclaimed water to four customers—three golf courses and a commercial nursery. The applicant has requested that the Commission establish reuse rates and increase wastewater rates to recover the cost of the Reuse Project. Two rate structures are proposed. The first proposed rate structure places all costs with the wastewater customers. It addresses the initial situation where no reuse irrigation customers are available. The second proposed rate divides the costs among the wastewater customers and the reuse irrigation customers. It addresses the situation where the facilities are constructed and all four reuse irrigation customers are connected. As reuse irrigation customers become available the Utility will commensurately reduce the additional rates being charged the wastewater customers until they fall to the lower proposed rate.

This application is being filed pursuant to Section 367.0817, Florida Statutes, which provides that all prudent costs of a reuse project shall be recovered in a utility's rates. The Florida Legislature has found that reuse benefits water, wastewater, and reuse customers. Section 367.0817, Florida Statutes, requires the PSC to allow a utility to recover the costs of a reuse project from the utility's water, wastewater, or reuse customers, or any combination thereof, as it deems appropriate. Therefore, while the utility has proposed that the entire cost of the reuse project be recovered from its wastewater rates, the PSC may find it appropriate for the costs to be shared in a different manner.

Copies of the application and synopsis of the proposed reuse plan and increase in rates are available for review at the following location:

Sanlando Utilities Corporation
1105 Kensington Park Drive
Altamonte Springs, FL 32714

Office Hours:
8:00 a.m.-5:00p.m.
Monday - Friday

CUSTOMER MEETINGS

An informal customer meeting of PSC staff members and utility representatives with customers of Sanlando will be held at the following time and place:

Date: March 4, 1998
Place: Eastmonte Civic Center Auditorium
830 Magnolia Drive
Altamonte Springs, FL
Time: 6:30 p.m.

The purpose of this customer meeting is to give customers an opportunity to offer comments to the PSC staff regarding the proposed reuse project, the proposed rate increase, the quality of service or other issues related to Sanlando. PSC staff members will summarize Sanlando's proposed filing, the preliminary work accomplished and respond to customer input.

At the beginning of the meeting, procedures will be set up to establish an order for comments. The PSC staff will have sign-up sheets, and customers will be called in the order that they sign

up to speak. PSC staff will be available to coordinate customer comments and to assist members of the public.

All persons who wish to comment are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present. The meeting will begin as scheduled and will continue until all the customers have been heard.

In addition to the customer meeting to be held on March 4, 1998, the PSC staff will be available on the morning of March 5, 1998, to meet with individual customers who desire a more in-depth discussion of the issues. PSC staff has reserved Room No. 2 of the Eastmonte Civic Center from 8:30 a.m. to 12:30 p.m. on March 5, 1998, to meet with individual customers who wish to be present. Appointments may be set up either by contacting Mr. Bob Casey of the PSC staff at (850) 413-6974, prior to March 4, 1998, or by signing up during the customer meeting on March 4, 1998.

All persons who wish to participate in individual meetings are urged to make an appointment, since the individual meetings may be canceled if no customers sign up.

Finally, the PSC staff is also attempting to meet with representatives of customer groups and homeowners associations on the afternoon of March 4, 1998. If you are a representative of a customer group or homeowners association and you have not been contacted by the PSC staff, please contact Mr. Bob Casey of the PSC staff at (850) 413-6974 prior to March 4, 1998.

Any person requiring some accommodation at the customer meeting(s) because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least five calendar days prior to the meeting(s). Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

Any person who wishes to comment or provide information to the PSC staff may do so at the meetings, orally, or in writing. Written comments may be sent to the PSC at the address below. Your letter will be placed in the correspondence file of this docket. You may also call the PSC's toll-free number at 1-800-342-3552, or fax your comments to the PSC's toll free fax line at 1-800-511-0809. Any person who is unable to attend and wishes to

obtain a copy of the recommendation or the order may do so in writing to:

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

Please reference Docket No. 971186-SU on all correspondence, which is the docket number assigned to this case.

CURRENT AND PRELIMINARY RATES AND CHARGES

Following is a schedule of the current rates and the utility's proposed rates. These rates are preliminary and subject to change based upon information gathered at the customer meetings, further PSC staff review, and the final decision by the Commissioners.

I. The following rates are not recommended for increase and are therefore independent of what reuse irrigation customers are connected.

WATER - MONTHLY

Residential, General Service, Multiple Dwelling and Bulk Sales

*There are no proposed changes to Water Rates

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$4.36	N/A	\$4.36
3/4"		\$6.53	N/A	\$6.53
1"		\$10.87	N/A	\$10.87
1 1/2"		\$21.77	N/A	\$21.77
2"		\$34.81	N/A	\$34.81
3"		\$69.63	N/A	\$69.63
4"		\$108.82	N/A	\$108.82
6"		\$217.64	N/A	\$217.64
8"		\$391.26	N/A	\$391.26
Gallage Charge Per 1,000 Gallons		\$0.386	N/A	\$0.386

PRIVATE FIRE PROTECTION - ANNUAL

*There are no proposed changes to Fire Protection Rates

Line Size	Current Charge	Proposed Increase	Proposed New Charge
1 1/2"	\$86.96	N/A	\$86.96
2"	\$139.15	N/A	\$139.15
3"	\$278.27	N/A	\$278.27
4"	\$434.80	N/A	\$434.80
6"	\$869.61	N/A	\$869.61
8"	\$1,391.41	N/A	\$1,391.41

II. The following proposed wastewater increases and rates are for the situation where reuse irrigation customers are not yet connected. Two options are presented. Option 1 is structured with an increase in consumption charges but no increase in base charges. Option 2 is structured with the increase divided between the base and consumption charges.

Option 1

SEWER - MONTHLY
Residential Services

Item	Current Charge	Proposed Increase	Proposed New Charge
Base Charge for All Meter Sizes	\$10.30	\$0.00	\$10.30
Gallonge Charge Per 1,000 Gallons (Maximum 10,000 Gallons)	\$1.359	\$0.34	\$1.699
Minimum Bill	\$10.30	\$0.00	\$10.30
Maximum Bill	\$23.89	\$3.40	\$27.29

SEWER - MONTHLY
General Service and Multiple Dwelling

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$10.30	\$0.00	\$10.30
3/4"		\$15.45	\$0.00	\$15.45
1"		\$25.75	\$0.00	\$25.75
1 1/2"		\$51.51	\$0.00	\$51.51
2"		\$82.41	\$0.00	\$82.41
3"		\$164.81	\$0.00	\$164.81
4"		\$257.52	\$0.00	\$257.52
6"		\$515.05	\$0.00	\$515.05
8"		\$824.07	\$0.00	\$824.07
Gallonge Charge Per 1,000 Gallons		\$1.643	\$0.34	\$1.983

OR
Option 2

SEWER - MONTHLY
Residential Services

Item	Current Charge	Proposed Increase	Proposed New Charge
Base Charge for All Meter Sizes	\$10.30	\$1.87	\$12.17
Gallonage Charge Per 1,000 Gallons (Maximum 10,000 Gallons)	\$1.359	\$0.14	\$1.499
Minimum Bill	\$10.30	\$1.87	\$12.17
Maximum Bill	\$23.89	\$3.27	\$27.16

SEWER - MONTHLY
General Service and Multiple Dwelling

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$10.30	\$1.87	\$12.17
3/4"		\$15.45	\$2.81	\$18.26
1"		\$25.75	\$4.68	\$30.43
1 1/2"		\$51.51	\$9.35	\$60.86
2"		\$82.41	\$14.96	\$97.37
3"		\$164.81	\$29.92	\$194.73
4"		\$257.52	\$46.75	\$304.27
6"		\$515.05	\$93.50	\$608.55
8"		\$824.07	\$149.00	\$973.67
Gallonage Charge Per 1,000 Gallons		\$1.643	\$0.14	\$1.783

III. The following proposed wastewater increases and rates are for the situation where all reuse irrigation customers are connected. Again, two options are presented. Option 1 is structured with an increase in consumption charges but no increase in base charges. Option 2 is structured with the increase divided between the base and consumption charges.

Option 1

SEWER - MONTHLY
Residential Services

Item	Current Charge	Proposed Increase	Proposed New Charge
Base Charge for All Meter Sizes	\$10.30	\$0.00	\$10.30
Gallonge Charge Per 1,000 Gallons (Maximum 10,000 Gallons)	\$1.359	\$0.24	\$1.599
Minimum Bill	\$10.30	\$0.00	\$10.30
Maximum Bill	\$23.89	\$2.40	\$26.29

SEWER - MONTHLY
General Service and Multiple Dwelling

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$10.30	\$0.00	\$10.30
3/4"		\$15.45	\$0.00	\$15.45
1"		\$25.75	\$0.00	\$25.75
1 1/2"		\$51.51	\$0.00	\$51.51
2"		\$82.41	\$0.00	\$82.41
3"		\$164.81	\$0.00	\$164.81
4"		\$257.52	\$0.00	\$257.52
6"		\$515.05	\$0.00	\$515.05
8"		\$824.07	\$0.00	\$824.07
Gallonge Charge Per 1,000 Gallons		\$1.643	\$0.24	\$1.883

OR
Option 2

SEWER - MONTHLY
Residential Services

Item	Current Charge	Proposed Increase	Proposed New Charge
Base Charge for All Meter Sizes	\$10.30	\$1.40	\$11.70
Gallonge Charge Per 1,000 Gallons (Maximum 10,000 Gallons)	\$1.359	\$0.09	\$1.449
Minimum Bill	\$10.30	\$1.40	\$11.70
Maximum Bill	\$23.89	\$2.30	\$26.19

SEWER - MONTHLY
General Service and Multiple Dwelling

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$10.30	\$1.40	\$11.70
3/4"		\$15.45	\$2.10	\$17.55
1"		\$25.75	\$3.50	\$29.25
1 1/2"		\$51.51	\$7.00	\$58.51
2"		\$82.41	\$11.20	\$93.61
3"		\$164.81	\$22.40	\$187.21
4"		\$257.52	\$35.00	\$292.52
6"		\$515.05	\$70.00	\$585.05
8"		\$824.07	\$112.00	\$936.07
Gallonge Charge Per 1,000 Gallons		\$1.643	\$0.09	\$1.733

IV. The following are the proposed reuse irrigation rates. Option 1 is structured with an increase in consumption charges but no increase in base charges. Option 2 is structured with the increase divided between the base and consumption charges.

REUSE IRRIGATION - MONTHLY

Option 1

Item	Current Charge	Proposed Increase	Proposed New Charge
Monthly Base Charge	N/A	\$0.00	\$0.00
Gallorage Charge	N/A	\$0.22	\$0.22

OR

Option 2

Item	Current Charge	Proposed Increase	Proposed New Charge
Monthly Base Charge	N/A	\$1,060.00	\$1,060.00
Gallorage Charge	N/A	\$0.11	\$0.11

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, PSC staff will prepare a recommendation which is scheduled to be submitted to the PSC on April 30, 1998. The PSC will then vote on staff's recommendation at its May 12, 1998 agenda conference. The PSC will thereafter issue a proposed agency action (PAA) order containing its findings. Under the PAA process, the case will not be set for a formal Commission hearing unless a timely protest to the PSC's proposed action is filed.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application of Sanlando Utilities,)
Corp. for Reuse Project Plan and Increase)
in Wastewater Rates.)
_____)

Docket No.: 971186-SU
Date: February XX, 1998

SYNOPSIS OF APPLICATION FOR APPROVAL OF REUSE
PROJECT PLAN AND INCREASE FOR WASTEWATER RATES

Applicant, Sanlando Utilities, Corp. (hereinafter "Applicant"), has applied to the Florida Public Service Commission ("The Commission") for approval of a Reuse Project Plan and for increase in rates for wastewater service provided to its customers in Seminole County, Florida.

1. The Application is being filed pursuant to the provisions of Section 367.0817, Florida Statutes, which provides that all prudent costs of a reuse project shall be recovered through rates and charges. According to that statute, reuse benefits water, wastewater, and reuse customers, and the costs of a reuse project are recovered from the utility's water, wastewater, or reuse customers, or any combination thereof as deemed appropriate by the Commission. The Applicant has proposed that the entire cost of the reuse project be recovered from an increase in its rates charged to wastewater customers, and the establishment of rates for reuse customers.

2. The Applicant has requested that the Commission establish a new reuse rate and grant a wastewater rate increase in order to recover the cost of its Reuse Project Plan. The Commission has not acted on this request as of the date of this Synopsis.

3. The present reuse rates and proposed reuse rates and charges are as follows:

	<u>Present</u> <u>Rate</u>	<u>Proposed</u> <u>Rate 1</u>	<u>Proposed</u> <u>Rate 2</u>
Meter Installation	N/A	N/A	N/A
Service Availability Charge	N/A	N/A	N/A
Reuse Service - Residential	N/A	N/A	N/A
Reuse Service - General Service	N/A	\$0.22/1000 gal	\$0.11/1000 gal
Reuse Availability	N/A	N/A	\$1,060 per month

4. The following rates are not recommended for increase and are therefore independent of what reuse irrigation customers are connected.

WATER - MONTHLY

Residential, General Service, Multiple Dwelling and Bulk Sales

***There are no proposed changes to Water Rates**

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$4.36	N/A	\$4.36
3/4"		\$6.53	N/A	\$6.53
1"		\$10.87	N/A	\$10.87
1 1/2"		\$21.77	N/A	\$21.77
2"		\$34.81	N/A	\$34.81
3"		\$69.63	N/A	\$69.63
4"		\$108.82	N/A	\$108.82
6"		\$217.64	N/A	\$217.64
8"		\$391.26	N/A	\$391.26
Gallonge Charge Per 1,000 Gallons		\$0.386	N/A	\$0.386

PRIVATE FIRE PROTECTION - ANNUAL

***There are no proposed changes to Fire Protection Rates**

Line Size	Current Charge	Proposed Increase	Proposed New Charge
1 1/2"	\$86.96	N/A	\$86.96
2"	\$139.15	N/A	\$139.15
3"	\$278.27	N/A	\$278.27
4"	\$434.80	N/A	\$434.80
6"	\$869.61	N/A	\$869.61
8"	\$1,391.41	N/A	\$1,391.41

5. Initially, the Utility will have no reuse customers. Until such time as reuse customers connect, the Utility proposes the following two alternative rate structures for its existing wastewater customers. Option 1 is structured with an increase in consumption charges but no increase in base charges. Option 2 is structured with the increase divided between the base and consumption charges.

Option 1

**SEWER - MONTHLY
Residential Services**

Item	Current Charge	Proposed Increase	Proposed New Charge
Base Charge for All Meter Sizes	\$10.30	\$0.00	\$10.30
Gallonge Charge Per 1,000 Gallons (Maximum 10,000 Gallons)	\$1.359	\$0.34	\$1.699
Minimum Bill	\$10.30	\$0.00	\$10.30
Maximum Bill	\$23.89	\$3.40	\$27.29

SEWER - MONTHLY

General Service and Multiple Dwelling

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$10.30	\$0.00	\$10.30
3/4"		\$15.45	\$0.00	\$15.45
1"		\$25.75	\$0.00	\$25.75
1 1/2"		\$51.51	\$0.00	\$51.51
2"		\$82.41	\$0.00	\$82.41
3"		\$164.81	\$0.00	\$164.81
4"		\$257.52	\$0.00	\$257.52
6"		\$515.05	\$0.00	\$515.05
8"		\$824.07	\$0.00	\$824.07
Gallonge Charge Per 1,000 Gallons		\$1.643	\$0.34	\$1.983

OR
Option 2

SEWER - MONTHLY
Residential Services

	Current III -	Proposed I	Proposed New III -
■ BASE Charge for All Meter Sizes	\$10.30	\$1.87	\$12.17
Gallonge Charge Per 1,000 Gallons (Maximum 10,000 Gallons)	\$1.359	\$0.14	\$1.499
Minimum Bill	\$10.30	\$1.87	\$12.17
Maximum Bill	\$23.89	\$3.27	\$27.16

SEWER - MONTHLY
General Service and Multiple Dwelling

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$10.30	\$1.87	\$12.17
3/4"		\$15.45	\$2.81	\$18.26
1"		\$25.75	\$4.68	\$30.43
1 1/2"		\$51.51	\$9.35	\$60.86
2"		\$82.41	\$14.96	\$97.37
3"		\$164.81	\$29.92	\$194.73
4"		\$257.52	\$46.75	\$304.27
6"		\$515.05	\$93.50	\$608.55
8"		\$824.07	\$149.00	\$973.67
Gallonge Charge Per 1,000 Gallons		\$1.643	\$0.14	\$1.783

6. After the project is completed the Utility anticipates the addition of up to three golf courses and a commercial nursery as reuse water customers. Whether those customers can be required to take reuse water at any cost is a function of St. Johns River Water Management District determining that the rates approved by the Commission for the reuse water to be paid by the golf courses are "economically feasible." Applicant has no control over whether the Utility will have customers eligible and willing to pay for reused water and has requested that the Commission approve rates which will recover all costs of the reuse facility from existing wastewater customers until reuse customers are obtained.

7. When reuse water customers are available to take the reuse effluent, then it is anticipated that the approved rate structure which results from this limited proceeding will apply to those customers, reducing the rates charged to the existing wastewater customers of the Applicant for the reuse facility's construction and operation. The Utility will, upon existence of reuse customers eligible and willing to pay for reused water, apply the following applicable reuse rates and will commensurately reduce the additional rates being charged to the existing wastewater customers as approved by the Commission. Thereafter, pursuant to Section 367.0817 (Florida Statutes 1996), it is anticipated that the Commission will implement a proceeding to true-up the costs of the reuse project and the resulting rates.

8. The following proposed wastewater increases and rates are for the situation where all reuse irrigation customers are connected. Again, two options are presented. Option 1 is structured with an increase in consumption charges but no increase in base charges. Option 2 is structured with the increase divided between the base and consumption charges.

Option 1

SEWER - MONTHLY
Residential Services

Item	Current Charge	Proposed Increase	Proposed New Charge
Base Charge for All Meter Sizes	\$10.30	\$0.00	\$10.30
Gallonge Charge Per 1,000 Gallons (Maximum 10,000 Gallons)	\$1.359	\$0.24	\$1.599
Minimum Bill	\$10.30	\$0.00	\$10.30
Maximum Bill	\$23.89	\$2.40	\$26.29

SEWER - MONTHLY
General Service and Multiple Dwelling

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$10.30	\$0.00	\$10.30
3/4"		\$15.45	\$0.00	\$15.45
1"		\$25.75	\$0.00	\$25.75
1 1/2"		\$51.51	\$0.00	\$51.51
2"		\$82.41	\$0.00	\$82.41
3"		\$164.81	\$0.00	\$164.81
4"		\$257.52	\$0.00	\$257.52
6"		\$515.05	\$0.00	\$515.05
8"		\$824.07	\$0.00	\$824.07
Gallonge Charge Per 1,000 Gallons		\$1.643	\$0.24	\$1.883

OR
Option 2

SEWER - MONTHLY
Residential Services

Item	Current Charge	Proposed Increase	Proposed New Charge
Base Charge for All Meter Sizes	\$10.30	\$1.40	\$11.70
Gallonge Charge Per 1,000 Gallons (Maximum 10,000 Gallons)	\$1.359	\$0.09	\$1.449
Minimum Bill	\$10.30	\$1.40	\$11.70
Maximum Bill	\$23.89	\$2.30	\$26.19

SEWER - MONTHLY
General Service and Multiple Dwelling

Meter Size		Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"	Base Charges	\$10.30	\$1.40	\$11.70
3/4"		\$15.45	\$2.10	\$17.55
1"		\$25.75	\$3.50	\$29.25
1 1/2"		\$51.51	\$7.00	\$58.51
2"		\$82.41	\$11.20	\$93.61
3"		\$164.81	\$22.40	\$187.21
4"		\$257.52	\$35.00	\$292.52
6"		\$515.05	\$70.00	\$585.05
8"		\$824.07	\$112.00	\$936.07
Gallonge Charge Per 1,000 Gallons		\$1.643	\$0.09	\$1.733

9. The following are the proposed reuse irrigation rates. Option 1 is structured with an increase in consumption charges but no increase in base charges. Option 2 is structured with the increase divided between the base and consumption charges.

REUSE IRRIGATION - MONTHLY

Option 1

Item	Current Charge	Proposed Increase	Proposed New Charge
Monthly Base Charge	N/A	\$0.00	\$0.00
Gallorage Charge	N/A	\$0.22	\$0.22

OR

Option 2

Item	Current Charge	Proposed Increase	Proposed New Charge
Monthly Base Charge	N/A	\$1,060.00	\$1,060.00
Gallorage Charge	N/A	\$0.11	\$0.11

10. Applicant anticipates that the only major issues in this proceeding will be an analysis of the actual costs of operation and maintenance of the Applicant's reuse system, along with the analysis of the additional investment of the Applicant in this system. Another issue may be the proper allocation of these prudent costs and investments so that the appropriate ratepayer pays for these costs and investments.

11. A description of the rate-making process and the time schedules for the proposed rate change is as follows:

Pursuant to the provisions of Section 367.0817 and 403.064, Florida Statutes, the Applicant has filed its application, satisfied the statutory requirements and provided additional information in order to demonstrate the actual anticipated costs of the Reuse Project Plan.

This case will be processed under the Proposed Agency Action process as described in Section 367.0817(2), Florida Statutes.

As part of the discovery process, the Commission Staff schedules a customer meeting in the Applicant's service area to take customer testimony on quality of service, rate structure, and other comments on the proposed Reuse Project Plan and proposed rates. After the Staff investigations have been completed, and after the customer meeting, the Staff prepares a recommendation to be considered by the full Commission at a regularly scheduled Agenda Conference in Tallahassee. Since the case has not been to hearing at this point, interested persons are allowed to address the Commission at the Agenda Conference when the case is being considered. The Commission votes to adopt, reject, or modify the Staff Recommendation at the Agenda Conference. A "Proposed Agency Action" Order is prepared and issued. The Order becomes final if no one protests it within a 21-day protest period. This entire process usually takes approximately five months. If the case is protested, the case will be processed similar to a

major rate case. A formal prehearing and hearing have been set in case a substantially affected person protests the Commission's Proposed Agency Action Order.

12. The Commission has issued a schedule, setting tentative dates for various matters related to the rate-setting process, which includes the following dates:

a. Customer Meeting	03/04/98
b. Staff Recommendation regarding proposed rate increase	04/30/98
c. Agenda Conference regarding proposed Agency Action	05/12/98
d. Proposed Agency Action Order issued	06/01/98
e. Close Docket or Revise Case Assignment and Scheduling Record	06/26/98
f. Prehearing if Proposed Agency Action protested	10/19/98
g. Hearing if Proposed Agency Action Protested	11/05/98

13. A complete copy of the Utility's application is available at the Applicant's headquarters:

Sanlando Utilities Corp.
1105 Kensington Park Drive
Altamonte Springs, FL 32714
(407) 788-3600

Office Hours: Monday through Friday
8:00 a.m. - 5:00 p.m.

14. Customer comments concerning Applicant's wastewater utilities service and its request for approval of Reuse Project Plan and proposed rates should be addressed to the Director of the Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0873, with a copy to Cleatous J. Simmons, Lowndes, Drosdick, Doster, Kantor & Reed, P.A., 215 N. Eola Drive, Orlando, FL 32801. All comments should include reference to the Commission Docket No. 971186-SU, which has been assigned to this case.

Post-it® Fax Note	7671	Date	2/4/98	# of pages	1
To	Bob Casey	From	Jerry Salzano		
Co./Dept.		Co.			
Phone #		Phone #	788-3600		
Fax #		Fax #			