

ORIGINAL

MEMORANDUM

March 19, 1998

TO: DIVISION OF RECORDS AND REPORTING  
FROM: DIVISION OF LEGAL SERVICES (GERVASI) *res*  
RE: DOCKET NO. 971186-SU - APPLICATION FOR APPROVAL OF REUSE  
PROJECT PLAN AND INCREASE IN WASTEWATER RATES IN SEMINOLE  
COUNTY BY SANLANDO UTILITIES CORPORATION.

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Please place the attached materials in the above-referenced docket file.

RG/lw

Attachment

cc: Division of Water and Wastewater (Willis, Bethea, Rendell, Casey)

ACK \_\_\_\_\_  
AFA \_\_\_\_\_  
APP \_\_\_\_\_  
CAF \_\_\_\_\_  
CMU \_\_\_\_\_  
CTR \_\_\_\_\_  
EAG \_\_\_\_\_  
LEG \_\_\_\_\_  
LIN \_\_\_\_\_  
OPC \_\_\_\_\_  
RCH \_\_\_\_\_  
SEC 1 \_\_\_\_\_  
WAS \_\_\_\_\_  
OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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March 3, 1998

TELECOPY AND U.S. MAIL

Ms. Blanca Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Docket No. 971186-SU - Application for approval of reuse project plan and increase in wastewater rates in Seminole County by Sanlando Utilities Corporation.

Dear Ms. Bayo:

The purpose of this letter is to notify you that in the above-referenced matter, the following documents are to be hand-delivered to Rosanne Gervasi per her request on March 4, 1998:

1. Original and five (5) copies of Sanlando Utilities Corporation's Response to Commission Staff's First Set of Interrogatories to Sanlando Utilities Corporation.
2. Original and five (5) copies of Sanlando Utilities Corporation's Response to Commission Staff's First Request for Production of Documents to Sanlando Utilities Corporation.
3. Original and five (5) copies of Sanlando Utilities Corporation's Response to Commission Staff's Questions During Telephone Conference on February 24, 1998 at 9:30 a.m.

Mr. Blanca Bayo  
March 3, 1998  
Page 2

Certificate of Service copies of all three documents will also be hand delivered to Jennifer Springfield, Esquire and Stephen C. Reilly, Esquire on March 4, 1998.

If you have any questions, please give me a call.

Very truly yours,

  
Cleatous J. Simmons

CJS/tli

C: Mr. Robert Mandell  
Mr. Hamp Conley  
Mr. Jerry Salsano  
John F. Lowndes, Esquire  
(001080/54729)

AFFIDAVIT OF MAILING NOTICE TO CUSTOMERS  
OF SANLANDO UTILITIES CORPORATION  
OF APPROVAL OF REUSE PROJECT PLAN AND  
INCREASE IN WASTEWATER RATES IN SEMINOLE COUNTY

STATE OF FLORIDA     )  
  ) SS  
COUNTY OF ORANGE    )

BEFORE ME, the undersigned authority, this day personally appeared JERRY SALSANO, who after being by me first duly sworn, deposes and says that:

1. My name is Jerry Salsano, and I am the Vice President and General Manager of Sanlando Utilities Corporation.

2. I am over the age of eighteen, of sound mind, capable of making this Affidavit, have personal knowledge of the facts set forth in this Affidavit, and I am fully competent to testify to the matters stated herein.

3. I have personal knowledge that on February 13, 1998, a copy of the Notice to Customers of Sanlando Utilities Corporation of Approval of Reuse Project Plan and Increase in Wastewater Rates in Seminole County ("Notice") was mailed to each of the customers of Sanlando Utilities Corporation.

FURTHER AFFIANT SAYETH NOT.

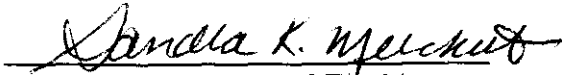
  
\_\_\_\_\_  
JERRY SALSANO

Sworn to and subscribed before me this 23 day of February, 1998, by JERRY SALSANO, who

is personally known to me  
 produced a Florida Driver's License  
as identification # \_\_\_\_\_



Sandra K Merchut  
My Commission CC572736  
Expires Oct. 10, 2000

  
\_\_\_\_\_  
Notary Public, State of Florida  
Printed: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
Commission No.: \_\_\_\_\_

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
Gallonage 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"	\$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
Gallonage Charge Per 1,000 Gallons	\$1.643	\$0.24	\$1.883

**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"	\$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
Gallonage 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	Base Charges	Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"		\$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
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	Base Charges	Current Charge	Proposed Increase	Proposed New Charge
5/8" x 3/4"		\$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

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
Gallonage 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
Gallonage 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.

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.

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
Gallonage 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
Gallonage Charge Per 1,000 Gallons		\$1.643	\$0.09	\$1.733



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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 12, 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:

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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