

980307-WS

March 30, 1998

ORIGINAL

Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

RECEIVED
FLORIDA PUBLIC
SERVICE COMMISSION
APR -3 PM 2:00
MAIL ROOM

Ref: Zellwood Station Co-op, Inc.
Water and Sewer Rate Schedule

Gentlemen,

I understand that the President and Board members of Zellwood Station Co-op, Inc filed a "notice of Application for an original certificate for an Existing system requesting initial Rates and Charges" with your office on or about March 4, 1998. In the notice of application sent to share holders, dated March 4, 1998, Mr. Parkins notes that objections to the application must be filed with you within 30 days from the date of this notice (March 4, 1998).

I wish to advise you of my objection to this increase in water and sewer charges which are intended to be increased by more than 100%. According to data presented to share holders, the budget income for 1997 and 1998 was about \$210,000 per year. Reported expense for 1997 was \$173,000 and budget expense for 1998 is \$227,000. These figures report an expected "shortage" in 1998 at \$17,200 - but there was a reported "surplus" in 1997 of \$36,700. This generally notes an income of about \$210,000 and an expected expense of less than \$210,000 in 1996 and 1997. Why ask for another \$210,000?

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While I understand a small increase may be required, certainly a 100% increase is not warranted. I have consulted with the Park Manager and one of the Board members and have not received any future plans which would warrant a yearly increase of \$210,000. If the increase is needed, there should be information available for detailed future plans, engineering estimates of costs for the improvements and the method of financing. I assume any large cost improvements would be bonded for a number of years and the expected yearly payments for bond retirement would then be included in the yearly budgets.

I also object to the proposed water rate schedule, which is stated to be \$15.10 a month for use of 10,000 gallons per month or less with an additional cost of \$5.27 per month for any amount of water that will be metered for excess water (over 10,000 g.p. month). If the intent is to discourage water use of more than 10,000 g.p. month, then the excess water use would normally be billed at a specified amount for each incremental use (\$1.50[±] for each additional 1000 gallons).

If the intent is to reduce the water withdrawn from the wells, there should be some accounting for the amount of the unaccounted-for water. I understand the water mains were installed many years ago and are of misc. pipe materials.

Normally the cheapest water can be obtained by reducing the amount of unaccounted-for water.

I realize that more meetings may be held by the Co-op and PSC but the meetings may be held after many of the ~~share~~ shareholders have gone North for the summer. I would like to have your thoughts regarding my objections before May 1st as I will be in New York state from May 1st to Nov. 1st

sincerely yours

William H. Rowell

share holder lots 917 and 1560

2405 Fairbluff Road

Zellwood, FL 32798

P.C. Zellwood Station Co-op, Inc.