

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
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CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

Public Service Commission

August 5, 1998

Mr. George DeVillers
Morningside Utility, Inc.
1106 Monroe Avenue
St. Cloud, Florida 34769-6713

RE: Docket No. 980445-WU - Application of Morningside Utility, Inc. for a staff-assisted rate case in Osceola County

Dear Mr. DeVillers:

This will confirm that Commission Staff will hold a customer meeting at 6:30 P.M. on Thursday, September 3, 1998. The location of the meeting will be The Elks Lodge (BPOE #1873), 1655 Kings Highway, Kissimmee, Florida 34744. We ask that, if at all possible, you or another knowledgeable representative of the utility attend the meeting in order to answer customer questions.

The original customer meeting notice is enclosed. Please note that the date has been left blank so that you can fill in the date that the notice is sent to the customers. The customers must have at least fourteen days' notice of the meeting, calculated from the day that they receive the notice. Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

Two copies of the accounting report will be mailed to you at a later date. Please ensure that a copy of the complete Application for Staff Assistance is available for review by all interested persons at the utility's office, 1106 Monroe Avenue, St. Cloud, Florida, during its regular hours (1:00 p.m. to 5:00 p.m.).

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
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- RCH _____
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DOCUMENT NUMBER - DATE

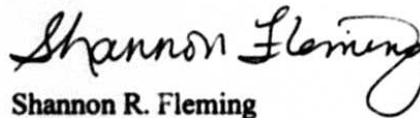
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FPSC-RECORDS/REPORTING

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If you have any questions, please do not hesitate to call me at (850) 413-6226.

Sincerely,



Shannon R. Fleming
Staff Attorney

SRF/lw

Enclosure

cc: Division of Records and Reporting
Division of Consumer Affairs (DeMello, Raspberry)
Hearing Reporter (Joy Kelly)
Office of Public Counsel
Division of Water and Wastewater (Galloway, Gilchrist, Golden, Munroe, Rendell, Willis)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE OF CUSTOMER MEETINGS
TO THE CUSTOMERS OF MORNINGSIDE UTILITY, INC.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 980445-WU

APPLICATION OF MORNINGSIDE UTILITY, INC.

FOR A STAFF-ASSISTED RATE CASE IN
OSCEOLA COUNTY

DATED:

Notice is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of Morningside Utility, Inc. (Morningside or utility) for a staff-assisted rate case in Osceola County. The meeting will be held at the following time and place:

6:30 p.m., Thursday, September 3, 1998
The Elks Lodge (BPOE #1873)
1655 Kings Highway
Kissimmee, Florida 34744

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.

The Public Service Commission Staff is also attempting to meet with representatives of customer groups and homeowners associations on September 3, 1998 between 2:00p.m. and 4:00p.m. at the Elks Lodge. If you are a representative of a customer group or homeowners association and you have not been contacted by the Public Service Commission Staff, and wish to meet with staff, please contact Troy Rendell or Cecilia Galloway of the Public Service Commission staff at (850)413-6934 or (850)413-6972, respectively, prior to September 2, 1998.

All persons who wish to participate in individual meetings are urged to make an appointment, since the individual meeting session may be canceled if no appointments are made.

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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 48 hours 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).

PURPOSE

The purpose of this meeting is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission Staff regarding the quality of service the utility provides, the proposed rate increase, and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will summarize Morningside's proposed filing, the preliminary work accomplished, and answer questions to the extent possible. A representative from the utility has also been invited to respond to questions.

At the beginning of the meeting, procedures will be established for the order of comments. The Public Service Commission Staff will have sign-up sheets, and customers will be called to speak in the order that they sign-up. Public Service Commission Staff will be available to coordinate customers' comments and to assist members of the public.

Any person who wishes to comment or provide information to staff may do so at the meetings, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Public Service Commission's toll-free facsimile line at 1-800-511-0809.

BACKGROUND

Morningside is a Class C water utility located in Osceola County. It provides water service to approximately 160 residential customers. The utility's revenue for the test period is \$53,040. Its adjusted operating expenses are \$65,098, resulting in an adjusted net operating loss of (\$12,058) for the test period. The test period for setting rates is the historical twelve month period ending December 31, 1997.

CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. These rates are preliminary and subject to change based on information gathered at the customer meeting, further staff review, and the final decision by the Commissioners. The utility's current and staff's preliminary rates and charges are as follows:

MONTHLY WATER RATES

Residential Service

Base Facility Charge

Meter Sizes:

	<u>Current Rates</u>	<u>Staff's Preliminary Rates</u>
All Meter Sizes	\$ 12.00	\$ 15.40
<u>Gallonage Charge</u> Per 1,000 Gallons	\$ 2.20	\$ 3.15

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in an accounting report dated August 5, 1998. Copies of the report may be examined by interested members of the public from 1:00 p.m. to 5:00p.m. at the following location:

Morningside Utility, Inc.
1106 Monroe Avenue
St. Cloud, FL 34769
(407) 891-8383

Office Hours:
1:00p.m. - 5:00p.m.
Tuesday - Friday

If these times are not convenient, please call the utility and other arrangements can be made.

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Public Service Commission Staff will prepare a recommendation which is tentatively scheduled to be submitted to the Public Service Commission on October 22, 1998. The Public Service Commission will then vote on staff's recommendation at its November 3, 1998 agenda conference. The

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Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's final recommendation. Substantially affected persons have 21 days from the date the PAA order is issued to protest the Commission's proposed agency action order. Five to ten customers or persons who attend the meeting and who wish to receive a copy of the recommendation and the order should so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so in writing to the Commission at the address at the end of this notice.

HOW TO CONTACT THE COMMISSION

Written comments regarding the utility and the proposed rates, and requests to be placed on the mailing list for this case, may be directed to this address:

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

All correspondence should refer to "Docket No. 980445-WU, Morningside Utility, Inc."

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Affairs at the following toll-free number: 1-800-342-3552.

This notice was prepared by Commission Staff for distribution by the utility to its customers.