



Public Service Commission

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

DATE: April 28, 1999
 TO: Division of Records and Reporting
 FROM: Division of Legal Services (Vaccaro) *TV*
 RE: Docket No. 951296-WS - Application for staff-assisted rate case in Volusia County by Plantation Bay Utility Co.

990000

Please file the attached letters dated March 20, 1996, May 2, 1996, and June 6, 1996, in the closed docket file for the above-referenced docket.

TV/dr

I:\FILE-MEM.DR

- AFA _____
- APP _____
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DOCUMENT NUMBER-DATE

05426 APR 29 1999

FPSC-RECORDS/REPORTING

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-71428

Law offices of

CHIUMENTO, GUNTARP, EMERY & ROTENBERG, P.A.

Michael D. Chiumento
Paul M. Guntharp, Jr.
Ann-Margret Emery
Jerome Rotenberg

4 Old Kings Road North
Suite B
Palm Coast, FL 32137

Palm Coast: (904) 445-8900
FAX #: (904) 445-6702

VIA FEDERAL EXPRESS

June 6, 1996

Tim Vaccaro, Esq.
Public Service Commission
Division of Legal Services
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0863

RE: Plantation Bay Utility Company (PBUC) Proposed Rate Increase

Dear Mr. Vaccaro:

As you know, our client, Plantation Bay Civic Association ("the Association"), is very concerned about the PBUC proposed rate increase. Enclosed is several letters from affected residents.

Enclosed is a copy of our report from our consultants. The consultants have identified to main areas of concern for the proposed rate increase; 1) poor water quality, and 2) management fees paid to Intervest and Ecocen.

Water Quality

The Association expects there will be a rate increase. However, due to the poor water quality, it is difficult to accept the proposed increase of over 100%. Complaints to PBUC concerning the water quality go unanswered and unresolved. It is estimated that fifty (50%) of the water customers are utilizing bottled water for drinking. The Association would like an improvement of the water quality prior to the effective date of a rate increase or, at the very least, a lower rate of return on the rate base. If the water quality has not improved prior to the rate increase, what assurances will the Association receive that improvements will be made? It is our position that the PSC staff recommendation to the Commission must address these issues.

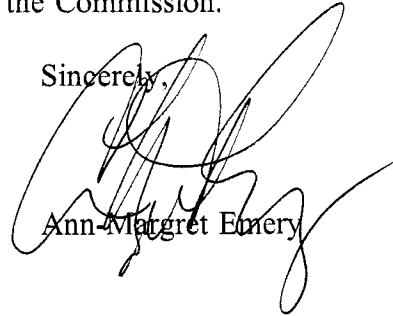
Management Fees

In 1995, a management fee of \$20,000.00 was paid to Ecocen Corp. and a management fee of \$4,000.00 to Intervest Construction, Inc. (ICI). There is insufficient accounting of this fee

to adequately illustrate its allocation to management expense. A detailed accounting is very important due to an apparent conflict of interest. I understand that the owner of PBUC, Mr. Francois Lazare, is also an owner of Ecocen Corp. Mr. Lazare also sits on the Ecocen board of directors. ICI and Ecocen Corp. are partners in the Plantation Bay community development. Further troubling is the conflict of interest presented by the Audit Report Disclosure #1 (attached).

Please give me a call to discuss the above concerns. In addition, I am advised that many members of the Association may attend the Commission meeting in Tallahassee if the above concerns are not satisfactorily addressed by the staff recommendation. Please advise of the time and date this matter will be presented to the Commission.

Sincerely,



Ann-Margret Emery

cc: Plantation Bay Civic Association
c/o Ms. Irene Anderson

AUDIT DISCLOSURE NO. 1

.SUBJECT: ADVANCES FROM ECOCEN

STATEMENT OF FACTS: Ecocen, Inc., as of December 31, 1995, has advanced Plantation Bay Utility Company funds totaling \$2,531,000.00.

The arrangement calls for repayment of the loan at ten percent interest.

No formal agreement between the parties was drafted.

No interest has been paid on the principal which began accumulating in 1985.

The accrued interest on the loan, as of December 31, 1995, is \$1,040,367.00.

The receivable for the accrued interest, per Ecocen's audited financial statements has been one hundred percent reserved.

OPINION/CONCLUSIONS: District staff defers to the FPSC analyst for disposition.

AUDIT DISCLOSURE NO. 2

SUBJECT: MANAGEMENT FEES

FACTS: The Intervest Corporation charges the Utility \$2,000 monthly, which is distributed equally between water and wastewater operations for administrative and management services.

There is no formal agreement between the parties in support of this agreement.

OPINION/CONCLUSIONS: District staff defers to FPSC analyst for disposition.

May 15, 1996

Presentation & Questions re Staff Assisted
Rate Case for Plantation Bay Utility Co.

* Received notice of customer meeting before the Florida Public Service Commission sometime in the first week of May 1996.

* On May 6, 1996 called Plantation Bay Utility Co. to arrange for a review of books & records of PBU Co. Spoke to Toni Pollitz and set appointment for Thursday May 9, 1996. Requested that the balance sheets, P&L statements and tax returns for the previous 5 years be made available.

*I was told records would be made available except she was not sure of tax returns.

**On arrival at PBU Co.'s office I was told financials and tax returns would not be shown to me.

*** All I could review were the reports prepared by the staff of the PSU. I was also denied a copy of the staff reports and told I could review them at a desk in the office.

** The staff audit report is based on unaudited numbers and is using 1995 as a base year. The staff auditors have a disclaimer in the audit report which states

“Internal accounting department audit report prepared after a limited scope audit. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use.”

QUESTIONS:

1. Why weren't financial reports made available to the Utility companies customers?
2. Why weren't staff audit & engineering reports made available for an in depth offsite review by the utility companies customers?
3. How can we, the Utility Companies customers and the public service commission accept unaudited figures that have a disclaimer as to their authenticity written into the report?
4. Why was this meeting called in less than two weeks after receipt of the early May notices?
5. The auditor apparently had the federal income tax returns for 1985 thru 1994 (not the 1995, the base year). The audit report stated they were "scanned". Why was no comments made about these tax returns?

*The audit report states that the Utility Co. was started in 1986 and currently has approximately 450 water and waste water customers. The utility will ultimately service 6000 connections at build out (current utilization is 7.5% of ultimate build out).

**How can engineer state that water treatment plant is 38% used and useful, waste water plant is 16% used & useful and waste water distribution system 41% used & useful?

**Are we the customers of the utility company being asked to subsidize the grandiose plans of the developer and the land owners?

- * The audit report shows contracted costs to Wetheral treatment systems in the amount of \$40,981.
- * Billing is subcontracted to Rhemer Business Service.
- * Intervest charges the utility \$2,000 per month as a management fee (no formal agreement exists).
- * Ecocen has advanced PBU \$2,531,000 as of 12/31/95. Loan inception is 1985 at 10% interest. No interest paid since inception. Accrued interest amounts to \$1,040,367. This receivable (principal and interest) per Ecocen's audited statement has been reserved. Again no formal agreement exists.

Questions:

1. There is no statement in the audit report about all the new infrastructure relative to water for all the new sections. Why?
2. What does Wetheral do to get \$3,415 per month?
3. What is the agreement between Intervest & the Utility Co.? Intervest is to receive \$24,000 per year. According to the audit report there is no formal agreement. Does it not appear to the PSC that there is some form of conflict of interest as Mori Hosseini is an officer of PBU & Intervest? Is this an arms length transaction?
4. The preponderance of income is received from the homeowners with a minimal amount received from commercial & other customers.
 - * What does Intervest pay to the Utility Co.?
 - * Who are the other commercial customers & what do they pay?

* The auditor recommends that an immediate increase be granted to the Utility Co. With excess monies being held in escrow pending a possible appeal.

** I do not understand this recommendation. Based on the superficial audit he performed how can the PSC possibly grant an increase?

* Quality of Water.

Terrible!! The water has caused discoloration in bowls & shower doors. Water at many times is undrinkable due to discoloration & taste. What effect it is having on the plumbing is unknown. I and many of my neighbors have installed filtration units in an attempt to improve water quality.

CONCLUSION:

* There is not sufficient accounting data audited in accordance with generally accepted accounting principles to support a rate increase.

*The Public Service Commission should therefore deny the application for a rate increase.

Prepared By:
Carl Glauberman
37 Kingsley Circle
Ormond Beach, FL 32174
(904) 437-0680

May 22, 1996

Ann-Margret Emery, Esq.
Chimento, Katz & Guntharp, P.A.
4 Old Kings Road North, Suite B
Palm Coast, FL 32137

RE: Staff Assisted Rate Case for Utility Serving Plantation Bay

Dear Ms. Emery:

At your request we have reviewed documentation related to the staff assisted rate case for Plantation Bay Utility Company (PBUC). Based on this limited review, two issues in particular appear to warrant further action:

Management fees paid to Intervest and Ecocen

Utilities are generally required to justify management fees paid to affiliated companies and PSC staff usually makes a determination as to the reasonableness of the fees. Specific questions that should be answered include:

- (1) Are the amounts included in management fees for Rent, Insurance and Transportation fees reasonable for a utility of this size?
- (2) Does the fee include an allocation of executive salaries or other labor and, if so, did the affiliated company present adequate support to justify the allocations?
- (3) What other costs are included in the fee and were these charges determined to be reasonable?

Water quality

PSC staff should now be conducting further investigation into water quality based on comments made at the hearing. Any objective evidence you can provide of the quality problems encountered by utility customers (eg: violations of Florida Department of




Ann-Margret Emery
Page 2

Environmental Protection (DEP) standards or water sample testing results) will be useful to them in their investigation. The Commission sometimes penalizes utilities which have provided a low quality of service by allowing a lower rate of return on rate base.

Feel free to call me if you would like to discuss this further.

Sincerely,



MILIAN, SWAIN & ASSOCIATES, INC.
Cathy Revels

Enclosures

THOMAS W. SMYTH, ESQ.
25 MAGNOLIA CIRCLE
PLANTATION BAY
ORMOND BEACH, FL 32174-9248

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

May 5, 1996

Re: Docket No. 951296-WS. Application of Plantation Bay Utility
Company for a staff-assisted rate case in Volusia County.

Dear Sir:

1. Docket is unclear as to County, or Counties, involved. Volusia, or Volusia and Flagler Counties?
2. Explain the meaning of "Staff-assisted rate case" and why this method is being used.
3. Is the Company on a calendar year for accounting purposes? If not, what is the Company's fiscal year?
4. Why are unaudited figures used?
 - a. Are the Company's books audited annually by an independent Certified Public Accountant?
 - b. If not, who audits the Company's books and how often?
5. What is the "442 test year" ?
6. What is the "12 test year" ?
7. How do test year operating results compare with each of the past five years?
8. How many non-officer full-time personnel does the Company employ?
9. Who are the top officers of the Company?
10. Who serves on the Company's Board of Directors? Are they compensated for their services?
11. Who are the major stockholders of the Company?
12. Does the Commission's staff evaluate the competency of management in addressing rate matters?
13. In the staff's opinion, what are the most important reasons for recommending the extraordinary increases of 108.5% in the average residential customer's water bill and 24.4% in the cost of his wastewater service?

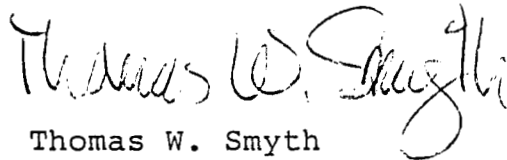
(Page 2 of 2)

Please be advised the the developers of Plantation Bay have consistently overestimated the Community's growth rate. After ten years, the number of residential units only approximates 440. Such optimism has undoubtedly resulted in a utility plant with significant overcapacity relative to the present customer base. This means that major expense items - depreciation, maintenance, employee compensation, debt service, etc. - are much higher per customer than originally anticipated, and the return on equity substantially lower. That the Company has these problems is not their customers' fault, but their own. Any investment involves risk. Unfortunately, in this case, the rewards expected have not materialized; nor will they if the slow rate of community growth continues.

Unreasonably to raise the rates of present customers to take the sting from the results of the owners' errors in judgment, and to involve the staff of the Florida Public Service Commission in this subterfuge, is unconscionable.

Please place me on the mailing list for this case.

Very truly yours,

A handwritten signature in cursive script that reads "Thomas W. Smyth". The signature is written in dark ink and is positioned above the printed name.

Thomas W. Smyth

P *Plantation Bay* civic association, inc.
1140 Pelican Bay Drive • Daytona Beach, FL 32119 • (904) 756-3032

May 15, 1996

Director, Division of Records and Reporting
Florida Public Service Commission
254 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: COMMENTS AT HEARING MAY 15, 1996
DOCKET NO. 951296-WS

Gentlemen:

As Treasurer of the Plantation Bay Civic Association, a "Not for Profit Corporation", whose purpose is to allow members to become involved as Residents in matters affecting Plantation Bay and encourage cooperation, fraternity and fellowship, I have been asked to make a few comments regarding the "Proposed Rate Increase for Plantation Bay Utility Company" proposed by the staff of the Florida Public Service Commission.

1. We are very dissatisfied with several aspects of this Rate Case Proceeding, namely:
 - a) Notification of this hearing was received by mail by PBUC customers on May 5, 1996, only 10 days before the hearing with 4 days out for weekends, hardly time for serious study and the making of substantive comments for this meeting.
 - b) Unavailability of Information; The only information which could be obtained from the PBUC office was the PUC Staff Reports. The PBUC refused to provide any financial statements for prior years or any other information and would not provide copies of the PUC memos except for perusal at their office.
 - c) Lack of any independently audited statements to back up the data taken from the PBUC books and used in the preparation of the PUC Staff Reports.
2. While we are not experts in Florida PUC Regulations, we believe the Staff has followed Standard Commission Procedures in determining the proposed rate increase. We recognize that the Utility Company has the right to recover legitimate costs and a return on it's investment. We commend the Staff on adjusting the Investment Base for Return and the Depreciation Expense to reflect the current proportion of the Water and Waste Plant Investment currently in use.

PLANTATION BAY CIVIC ASSOCIATION, INC.

3. We question the Proposed Expenses for "Services" in the amounts of \$48,489 for the Water Plant and \$44,159 for the Waste Treatment Plant. We do not have enough information to judge whether these expenses are competitive. For example, has the Utility Company sought competitive bids for these Services?
- a) In particular, we are concerned with the Management contract with ICI for \$2,000 per month.. Considering that operation of the plant and billing work are contracted out, we fail to see how a \$2,000 per month management contract is justified basically for accounting and required Regulatory reports
4. The greatest concern in the Plantation Bay Community is about the quality of the water provided. Most of the people attending tonight have had serious problems with the quality of the water received from time to time. The PBUC has a history of water quality problems registered with the PUC and other regulatory agencies responsible for assuring safe and usable water. Some of the problems include failure to meet mandated chemical tests for chemicals such as copper, yellow or blue water color, sediment in tubs, rings around toilet bowls, foul odors, bad tasting water, and corrosion of sink and bathtub plumbing fixtures.
- a) The Staff report on the proposed rate increase acknowledges that there are still water quality problems. Unfortunately, it assumes the Filter Bed deficiencies will be corrected. We do not believe this will be done unless the proper Regulatory Authorities take the necessary action.
- 5) We respectfully request that any rate adjustment action by the FL.PUC be deferred until the necessary corrections to the filter beds and any other sub-par parts of the plant are made and approved by the proper authorities with a publicly advertised notice stating that such corrections have been made and further request that useful information about PBUC expenses be made available with sufficient time to respond thereto.

Respectfully Submitted,

John C. Mueller, Treasurer
Plantation Bay Civic Association

PLANTATION BAY CIVIC ASSOCIATION, INC.

22 BAY POINTE DRIVE, ORMOND BCH., FL 32174

Neil Bethea, Supervisor Staff Assisted Rate Cases
Florida Public Service Commission
2540 Shumard Blvd., Tallahassee, FL 32399-0850

June 1, 1996

Re: Docket No. 951296-WS

Dear Mr. Bethea,

As Treasurer of the Plantation Bay Civic Association, I presented a number of comments from the Association at the Customer Meeting on May 15, 1996 on the proposed Plantation Bay Utility Company Rate Increase. Since then I have received copies of the Engineering Report and the Accounting Report. I notice a number of discrepancies both in the Notice and between these reports and the "Notice of Customer Meeting" I received earlier.

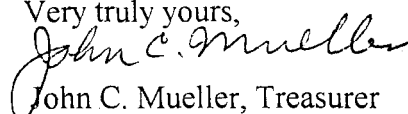
- [1] The Notice refers to 442 test year residential water customers whereas the Engineering Report shows an average of 436.
- [2] The Notice shows 12 test year general service water customers, but the Average Bills under the new and old rates are based on 8 Customers.
- [3] The Notice refers to 434 test year residential wastewater customers versus 436 in the Engineering Report.

The proposed water rates appear to be based on 442 customers i.e. $\$29.25 \times 12 \times 442 = \$155,142$ vs 155,149 shown as the Revenue Requirement. What about the other customers?

The proposed residential wastewater rates generate $17.56 \times 12 \times 434 = 91,452$ versus 93,384 as the Required Revenue. Nothing is said about nonresidential users and why are the number of wastewater residential customers less than the residential water customers? Using 442 wastewater customers generates 93,138. Again what are the other customers generating?

The proposed rate increases generate substantially more Revenue than required to provide PBUC with sufficient revenues to cover its costs and provide a return on its capital employed because as of this date there are 26 more customers [468 vs 442] than used in developing the "Proposed Rates". The Engineering Report showed 462 customers at the end of 1995 and 6 have been added as of May 29, 1996. If this rate [14] continues through 1996, there will be 476 customers by the end of the year or 34 more than used in the proposed rate increase. This would generate $29.25 \times 12 \times 34 = 11,934$ in additional water revenues and $17.56 \times 12 \times 34 = 7,164$ or a total of 19,098 which is equal to 20.8% of the proposed rate increase on P14 of the accounting Report. This is a conservative estimate as 25 new homes have been sold in each of the last two years. I submit: [1] the proposed Staff Rate Increase should be adjusted downward by 20.8%; and [2] provision for an automatic reduction in rates be added based on the number of new customers added in 1996 and subsequent years to avoid excessive returns on investment.

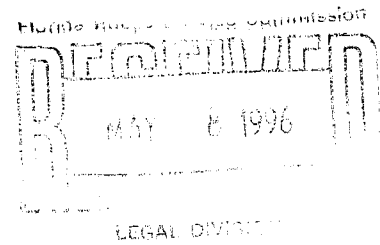
cc: Irene Anderson, Pres.
M. Chiumento, Atty. ✓
Chairman, FPUC

Very truly yours,

John C. Mueller, Treasurer

PLANTATION BAY UTILITY COMPANY

May 2, 1996

Tim Vaccaro, Staff Counsel
Public Service Commission
Division of Legal Services
Capital Circle Office Center
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850



Re: **Docket No. 951296-WS, Application of Plantation Bay Utility Company for
a Staff Assisted Rate Case in Volusia County**

Dear Mr. Vaccaro:

Enclosed is a copy of the Notice of Customer Meeting, dated April 30, 1996. The notice was not actually mailed until May 1, 1996 because of errors made in the original document by the PSC that warranted corrections by us. Those corrections were made as soon as possible and the document was mailed immediately thereafter.

If you have any questions, please do not hesitate to contact me at (904)437-9185.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Doug R. Ross, Jr."

Douglas R. Ross, Jr.
Vice President

Enclosure: Notice of Customer Meeting

DRR:tmp
Vaccaro/Utility

A vertical stamp oriented sideways. The word "RECEIVED" is at the top. Below it, the date and time "MAY 8 8 05 AM '96" are stamped. At the bottom, the words "ADMINISTRATION MAIL ROOM" are printed.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF

PLANTATION BAY UTILITY COMPANY

AND

ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 951296-WS

APPLICATION OF PLANTATION BAY UTILITY COMPANY FOR A
STAFF-ASSISTED RATE CASE IN VOLUSIA COUNTY.

DATED: 04/30/96

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of Plantation Bay Utility Company for a staff-assisted rate case in Volusia/Flagler Co. The meeting will be held at the following time and place:

7:00 p.m., Wednesday, May 15, 1996
Old Kings Elementary School
301 Old Kings Road South
Flagler Beach, Florida 32136

All persons who wish to testify are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present.

Any person requiring some accommodation at this hearing, meeting, etc. because of a physical impairment should call the Division of Records and Reporting at (904) 413-6770 at least five calendar days prior to the hearing, meeting, etc. If you are hearing or speech impaired, please contact the Florida Public Service Commission 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 sworn testimony regarding the quality of service the utility provides and to ask questions and comment on Staff's preliminary rates included in this notice as well as other issues. Staff members will answer questions to the extent possible. A representative from the utility has also been invited to respond to questions.

Any person who wishes to comment or provide information to Staff may do so at the meeting, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice.

BACKGROUND

Plantation Bay Utility Company is a Class C water and wastewater utility located in Volusia County. It provides service to approximately 440 customers.

The test period for setting rates is the historical average twelve month period ending December 31, 1995. During the fiscal year, the utility's books reflected unaudited operating revenues of \$73,417 for water and \$81,209 for wastewater. The utility recorded unaudited net operating losses of (\$105,314) for water and (\$74,008) for wastewater.

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 for staff's recommendations are as follows:

Plantation Bay Utility Company

WATER RATES

RESIDENTIAL, MULTI-RESIDENTIAL, AND GENERAL SERVICE

<u>Meter Size</u>	<u>Base Facility Charge</u>	
	<u>Existing</u> <u>Rate</u>	<u>Recommended</u> <u>Rate</u>
5/8" x 3/4"	\$ 9.37	\$ 18.75

3/4"	N/A	28.13
1"	23.45	46.89
1-1/2"	46.91	93.77
2"	75.03	150.04
3"	150.08	300.07
4"	234.47	468.86
6"	468.97	937.72

Gallonge Charge		
Per 1,000 gallons	\$ 1.14	\$ 2.57

Using the 442 test year residential water customers with an average water use of 4,080 gallons per month, an average residential water bill comparison would be as follows:

	Average Bill Using Existing <u>Rates</u>	Average Bill Using Recommended <u>Rates</u>	Percent <u>Increase</u>
Base Facility Charge	\$ 9.37	\$18.75	
Gallonge Charge	<u>4.65</u>	<u>10.49</u>	
Total	\$14.02	\$29.25	108.5%

WASTEWATER RATES

GENERAL SERVICE

<u>Meter Size</u>	<u>Base Facility Charge</u>	
	<u>Existing Rate</u>	<u>Recommended Rate</u>
5/8" x 3/4"	\$ 11.80	\$ 11.90
3/4"	N/A	17.85
1"	29.51	29.74
1-1/2"	59.06	59.49
2"	94.41	95.18
3"	188.96	190.37
4"	295.24	297.45
6"	590.50	594.89

Gallonge Charge		
Per 1,000 gallons	\$ 1.48	\$ 1.83

Using the 12 test year general service customers with an average water use of 41,600 gallons per month, an average

general service water bill comparison would be as follows:

	Average Bill Using Existing <u>Rates</u>	Average Bill Using Recommended <u>Rates</u>	Percent <u>Increase</u>
Base Facility Charge	\$ 94.41	\$ 95.18	
Gallorage Charge	<u>61.57</u>	<u>76.22</u>	
Total	\$155.98	\$171.40	9.89%

WASTEWATER RATES
RESIDENTIAL SERVICE

<u>Meter Size</u>	<u>Base Facility Charge</u>	
	<u>Existing Rate</u>	<u>Recommended Rate</u>
5/8" x 3/4"	\$ 11.80	\$ 11.90
3/4"	11.80	17.85
1"	11.80	29.74
1-1/2"	11.80	59.49
2"	11.80	95.18
3"	11.80	190.37
4"	11.80	297.45
6"	11.80	594.89
Gallorage Charge Per 1,000 gallons	\$ 1.23	\$ 1.53

Using the 434 test year residential wastewater customers with an average water use of 3,710 gallons per month, an average residential wastewater bill comparison would be as follows:

	Average Bill Using Existing <u>Rates</u>	Average Bill Using Recommended <u>Rates</u>	Percent <u>Increase</u>
Base Facility Charge	\$ 11.80	\$11.90	
Gallorage Charge	<u>4.56</u>	<u>5.66</u>	
Total	\$ 16.36	\$17.56	7.33%

STAFF REPORTS AND UTILITY APPLICATION

The results of Staff's preliminary investigation are contained in the accounting and engineering report. Copies of the reports may be examined by interested members of the public at the Plantation Bay Utility Company office located at 100 Plantation Bay Drive, Ormond Beach, Florida 32174. If you would like to examine these reports, please contact the utility at (904) 437-9185 to arrange a convenient time.

PROCEDURES AFTER CUSTOMER MEETING

After the meeting, Staff will prepare and submit a recommendation to the Commission. The Commission will thereafter issue a proposed agency action order containing rates which may be different from those contained in Staff's final recommendation. Five to ten customers or persons who attend the meeting and who wish to receive a copy of the recommendation and the order may so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers and interested persons. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by 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, Florida 32399-0850

All correspondence should refer to "Docket No. 951296-WS - Application of Plantation Bay Utility Company for a staff-assisted rate case in Volusia County."

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.

PLANTATION BAY UTILITY COMPANY

March 20, 1996

Mr. Tim Vaccaro
Senior Attorney
Public Service Commission
State of Florida
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: **Docket No. 951296-WS**
Application for Staff-Assisted Rate Case
Plantation Bay Utility Company

Dear Tim:

The Plantation Bay Utility Company hereby grants a thirty (30) day extension to the 15 month period for Commission action regarding Plantation Bay Utility Company's request for a staff assisted rate case, allowing the "Customer Meeting" to be deferred thirty (30) days.

This waiver will enable to staff to prepare for a formal hearing in the event that the Commission's preliminary order is protested.

We understand that with this limited waiver, this case will be completed and the Docket closed by approximately July 24, 1996 unless the PAA is protested.

Very truly yours,



Douglas R. Ross, Jr.
Manager

cc: John Mann, CPA
Jean Trinder
Jerry Finley
Ted Garn

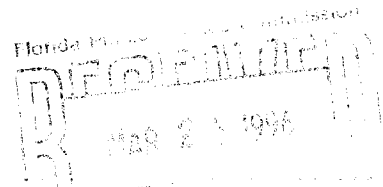
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SARCext/Utility

100 Plantation Bay Drive, Ormond Beach, FL 32174 (904) 437-9185 Fax (904) 437-0100

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