

ORIGINAL

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DIVISION OF WATER & WASTEWATER
DANIEL M. HOPPE, DIRECTOR
(850) 413-6900

Public Service Commission

January 13, 2000

Ms. Lisa Loomis
Office of Representative J. D. Alexander
391 Avenue A S.W.
Winter Haven, Florida 33880

Re: Docket No. 990356-WS, Application for a Staff Assisted Rate Case for Breeze Hill Utilities, Inc. in Polk County

Dear Ms. Loomis:

To follow-up my letter of January 4, 2000, I am enclosing a copy of Commission Order No. PSC-00-0116-PCO-WS which was issued January 12, 2000. As you can see, it is an Order establishing procedure for the protest of Proposed Agency Action (PAA) Order No. PSC-99-2394-FOF-WS which was issued December 7, 1999.

The next step will be an informal telephone conference scheduled for January 24th at 1:30pm. The purpose will be to bring all parties together, identify the issues of the protest, and attempt to resolve it if at all possible. We attempt to resolve any protests at the informal conference to avoid having the utility hire attorneys, engineers, or accountants for the hearing which may result in even higher rates for the utility customers. Section 367.0816, Florida Statutes, allows a utility to recover prudently incurred rate case expense amortized over a four year period. A protest continued through the hearing stage could incur rate case expense of \$20,000 or more which may be passed on to customers.

If the protest is not settled, the company, the intervenor (protesting party), and the Commission staff would file testimony. A pre-hearing conference in Tallahassee will be held April 3, 2000 before a pre-hearing officer (one of the Commissioners) to identify the final issues of the protest. The actual hearing which would be conducted by a panel of Commissioners would take place April 25-26, 2000 in the utility's service area. After the hearing, a final recommendation would be filed for consideration by Commissioners at the July 11, 2000 agenda conference, and a final Order would be issued July 31, 2000.

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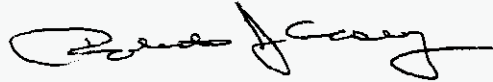
Ms. Lisa Loomis

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If you have any questions, please don't hesitate to contact Mr. Johnny Butts at (850)413-6920, or me at (850)413-6974.

Sincerely,



Robert J. Casey
Professional Accountant Specialist

RC

Enclosure

cc: Dr. Mary A. Bane, Deputy Executive Director/ Technical
Division of Water and Wastewater (Hoppe, Willis, Rendell, Butts, Golden, Davis, Rieger)
Division of Legal Services (Crossman)
Division of Records and Reporting (Docket No. 990356-WS)