



Public Service Commission

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

DATE: January 13, 2000

TO: Chairman Joe Garcia

FROM: Jason K. Fudge, Division of Legal Services
Marshall Willis, Division of Water and Wastewater

Handwritten initials and signatures

RE: Request for Deferral of Item #39, Docket No. 951056-WS - Application for rate increase in Flagler County by Palm Coast Utility Corporation.

ISSUE No. 1 ONLY

Attached is the request of Palm Coast Utility Corporation (Palm Coast or utility) for deferral of only Issue No. 1 of Item 39, from the January 18, 2000 Agenda Conference to the February 15, 2000 Agenda Conference. Staff agrees that this item should be deferred to give the utility time to evaluate the workpapers produced by staff and the revenue requirement figures reflected in staff's recommendation. Palm Coast will also use the deferral to continue to evaluate alternatives for a potential settlement. OPC is also in agreement with the utility's deferral request. Therefore, staff recommends that the request for deferral of Issue No. 1 of Item 39 be granted. Issue No. 2 concerning modification of the current appeal bond to secure any potential refunds and Issue No. 3, concerning docket closure, should be considered at the January 18, 2000 Agenda.

JKF/lw

Attachment

cc: Division of Records and Reporting

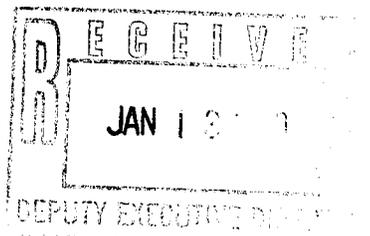
*Recommend Approval of
Deferral of ONLY ISSUE 1
of Item #39, per
request of Palm Coast.
MAZ*

- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- MAS _____
- OPC _____
- RRR _____
- SEC /
- WAW _____
- OTH _____

DOCUMENT NUMBER-DATE

00782 JAN 198

FPSC-RECORDS/REPORTING



RUTLEDGE, ECENIA, PURNELL & HOFFMAN

PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

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KENNETH A. HOFFMAN
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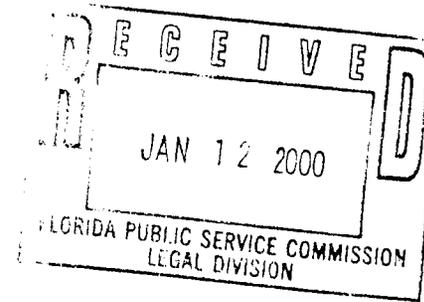
OF COUNSEL:
CHARLES F. DUDLEY

GOVERNMENTAL CONSULTANTS:
PATRICK R. MALOY
AMY J. YOUNG

January 12, 2000

HAND DELIVERY

Rosanne Gervasi, Esq.
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Room 370
Tallahassee, FL 32399-08850



Re: Docket No. 951056-WS
Application for Rate Increase in Flagler County by Palm Coast Utility Corporation

Dear Rosanne:

This letter will confirm our discussion this morning wherein Staff agreed to support Florida Water Services Corporation's request to defer Issue No. 1 in Item No. 39 concerning Palm Coast Utility Corporation from the January 18, 2000 Agenda Conference to the February 15, 2000 Agenda Conference. Issue No. 2 concerning modification of the current appeal bond to secure any potential refunds will be considered at the January 18, 2000 Agenda and, as discussed, Florida Water has no objection to Staff's recommendation that Florida Water/Palm Coast be required to increase its current appeal bond to the amount of \$1,622,122.

As I mentioned, Florida Water continues to evaluate the workpapers produced by Staff and the revenue requirement figures reflected in the Staff recommendation. Florida Water also will use the deferral to continue to evaluate alternatives for a potential settlement.

Finally, this letter will confirm that I have discussed our deferral request with Steve Reilly of the Office of Public Counsel and Mr. Reilly agreed to the request.

Rosanne Gervasi, Esq.
Page 2
January 12, 2000

As always, thank you for your consideration and courtesy in this matter.

Sincerely,

A handwritten signature in black ink, appearing to be 'K. Hoffman', written over a horizontal line.

Kenneth A. Hoffman

KAH/rl

cc: Honorable J. Terry Deason, Commissioner, by hand delivery
Stephen Reilly, Esq., via telecopier and U. S. Mail
Brian P. Armstrong, Senior Vice President and General Counsel, Florida Water Services
Corp., via telecopier
Matthew J. Feil, Esq., via telecopier
Mr. Forrest L. Ludsen, via telecopier

Palmcoast/gervasi.112



Public Service Commission

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

DATE: January 13, 2000

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FROM: Jason K. Fudge, Division of Legal Services *JKF*
Marshall Willis, Division of Water and Wastewater *to MW*

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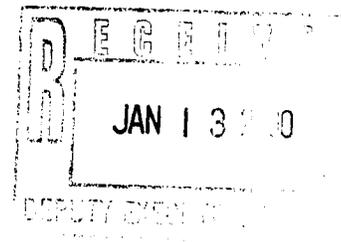
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1 DEFERRAL JKF

*OK JKB for
Chairman
1/14/2K*

*Recommend Approval of
Deferral of ONLY ISSUE 1
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request of Palm Coast.
MAB*

*00782-00
1/19/00*



RUTLEDGE, ECENIA, PURNELL & HOFFMAN

PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

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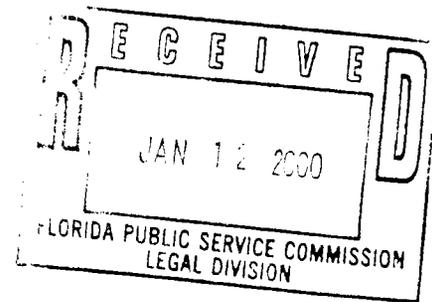
OF COUNSEL:
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