

Commissioners:  
JOE GARCIA, CHAIRMAN  
J. TERRY DEASON  
SUSAN F. CLARK  
E. LEON JACOBS, JR.  
LILA A. JABER



TIMOTHY DEVLIN, DIRECTOR  
DIVISION OF ECONOMIC REGULATION  
(850) 413-6900

# Public Service Commission

June 14, 2000

Mr. William H. Mills, Jr.  
1325 Snell Isle Blvd.  
St. Petersburg, Florida 33704

**Re: Application of Useppa Island Utility, Inc. For a Limited Proceeding to Increase Wastewater Rates in Lee County**

Dear Mr. Mills:

Thank you for your comment regarding the limited proceeding for Useppa Island Utility, Inc. (Useppa or utility). We were made aware at the April 6, 2000 customer meeting that the utility was not using the proper billing methods required by Rule 25-30.335(1), Florida Administrative Code, which states:

Except as provided in this rule, a utility shall render bills to customers at regular intervals, and each bill shall indicate: the billing period covered; the applicable rate schedule; beginning and ending meter reading; the amount of the bill; the delinquent date or the date after which the bill becomes past due; and any authorized late payment charge.

The utility was notified at the meeting that it was not following proper procedures and that it should revise its billing procedures immediately. We also followed-up the customer meeting with an April 12, 2000 letter to the utility explaining what billing procedures were required.

As an update to the customer meeting, after reviewing the utility's 1999 annual report, we have decided to audit the utility's books using a calendar test year ending December 31, 1999. We are doing this to insure that the utility will not overearn on an overall basis should staff recommend approval of the requested wastewater revenue increase. Although the utility's 1999 annual report showed a wastewater net operating loss of \$27,128, it also showed a net operating income of \$49,247 for the water system. We anticipate an audit completion date of July 31, 2000. After we have reviewed the audit, a recommendation will be filed September 7, 2000 for consideration Commissioners at the October 9, 2000 Agenda.

- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- LEG \_\_\_\_\_
- OPC \_\_\_\_\_
- PAI \_\_\_\_\_
- RGO \_\_\_\_\_
- SEC
- SER \_\_\_\_\_
- OTH \_\_\_\_\_

DOCUMENT NUMBER 07323 JUN 15 8 000090  
FPSC-RECORDS/REPORTING

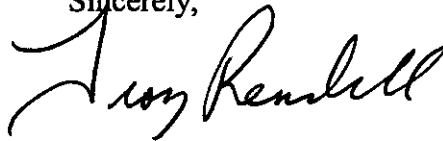
Mr. William H. Mills, Jr.

Page 2

June 14, 2000

I apologize for the delay in a response to your comment letter. Our division just received a copy of your letter today, June 14, 2000. A copy of your comment has been placed in the official docket file for review of any interested parties. If you have any questions, please don't hesitate to contact Bob Casey at (850) 413-6974, or me at (850) 413-6934.

Sincerely,

A handwritten signature in black ink that reads "Troy Rendell". The signature is written in a cursive style with a large initial "T".

Troy Rendell  
Public Utilities Supervisor

TR/rc

cc: Division of Economic Regulation (Willis, Casey, Ted Davis, Wetherington)  
Division of Legal Services (Brubaker)  
Division of Records and Reporting (000090-WS)  
Useppa Island Utility, Inc.