



Public Service Commission

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

DATE: November 20, 2000
TO: Division of Records and Reporting
FROM: Division of Legal Services (Van Leuven) *DTV*
RE: Docket No. 000580-WU - Application for staff-assisted rate case in Polk County by Keen Sales, Rentals and Utilities, Inc. (Alturas Water Works).

Please file the attached letter and accompanying notice dated November 13, 2000, in the docket file for the above-referenced docket.

DTV/dm

cc: Division of Regulatory Oversight (Winston)
Division of Economic Regulation (Johnny, Crouch, Munroe, Rendell, Stallcup, Willis)

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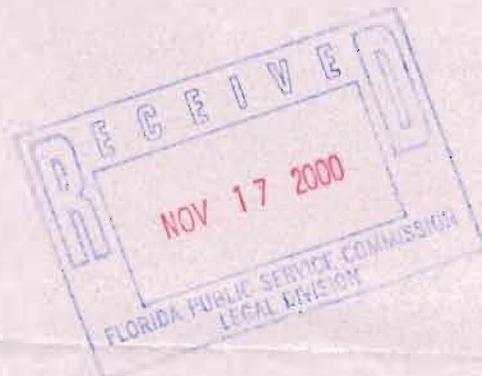
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FPSC-RECORDS/REPORTING

KSRU

Keen Sales, Rentals and Utilities, Inc.

685 Dyson Road
Haines City, FL 33844
Business Phone 941-421-6827



November 13, 2000

Mr. Tyler Van Leuven
Staff Attorney
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. Van Lueven:

Enclosed please find a copy of the notice that we mailed to customers of the Alturas Water Works on November 13, 2000. The customers should receive this no later than November 15, 2000. Also, at the same time, a copy of the Staff Report was mailed to the Alturas Post Office for posting. A phone call was also made to the Post Office explaining that we needed the report posted on the bulletin board.

If you have any questions, please feel free to contact us.

Sincerely,

J. Ray Keen
President

JRK/mmc
Enclosure

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE OF CUSTOMER MEETINGS
TO THE CUSTOMERS OF KEEN SALES, RENTALS AND UTILITIES, INC.
(ALTURAS WATER WORKS)
AND
ALL OTHER INTERESTED PERSONS
DOCKET NO. 000580-WU
APPLICATION OF KEEN SALES, RENTALS AND UTILITIES, INC.
FOR A STAFF-ASSISTED RATE CASE IN
POLK COUNTY

Issued: NOVEMBER 13, 2000

Notice is hereby given that the staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of Keen Sales, Rentals and Utilities, Inc. (Keen Sales or utility) Alturas Water Works for a staff-assisted rate case in Polk County. The meeting will be held at the following time and place:

6:00 p.m., Thursday, November 30, 2000
Bartow Civic Center
The Game Room
2250 South Floral Avenue
Bartow, Florida 33830

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. One or more of the Commissioners of the Florida Public Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all the customers have been heard.

The Public Service Commission Staff will be available at the civic center on November 30, 2000 between 2:00pm and 4:00pm. All persons who wish to participate in individual meetings are urged to make an appointment, since individual meetings may be canceled if no appointments are made. If you wish to meet with staff, please contact Johnny Butts at (850) 413-6920 prior to November 29, 2000.

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 five calendar 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 Keen Sales' 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

Keen Sales is a Class C utility which provides water service to approximately 62 residential customers and 2 general service customers in its Alturas Water Works service area located in Polk County. The utility's adjusted test year revenues are \$13,419, and its staff adjusted operating expenses are \$23,079, which results in a staff adjusted test year loss of (\$9,660) for this utility. The test period for setting rates is the historical twelve month period ending March 31, 2000.

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. Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. The utility is currently under a base facility and gallonage charge rate structure with rates that consist of a base rate of \$13.50 up to 3,000 gallons. After the 3,000 gallons are consumed, the charge becomes \$1.00 per 1,000 gallons used. The utility's current and staff's preliminary rates and charges are as follows:

Residential & General Service Water Rates

<u>Charge</u> <u>Meter Size</u>	Minimum Charge for 3,000 gallons Existing <u>Monthly Rate</u>	Staff Preliminary <u>Monthly Rate</u>
Base Facility		
5/8" x 3/4"	\$ 13.50	\$ 9.64
3/4"	13.50	14.46
1"	13.50	24.10
1-1/2"	13.50	48.20
2"	13.50	77.12
3"	N/A	154.24
4"	N/A	241.00
6"	N/A	482.00

Gallonage Charge

Per 1,000 gallons over 3,000 gallons	\$ 1.00
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Gallonage Charge

Per 1,000 gallons

\$ 3.87

Based on staff's preliminary rates, the following would be the estimated average residential water monthly billings for the consumption shown:

<u>Monthly Consumption</u> <u>(In Gallons)</u>	<u>Monthly</u> <u>Billing</u>	<u>Using Staff's</u> <u>Preliminary Rates</u>
3,000	\$13.50	\$21.25
5,000	\$15.50	\$28.99
7,500	\$18.00	\$38.67

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated October 26, 2000. Copies of the report may

be examined by interested members of the public 24 hours a day on the bulletin board at the following location:

Post Office located in Alturas, Florida

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Public Service Commission Staff will prepare a recommendation which is scheduled to be submitted to the Public Service Commission on January 4, 2001. The Public Service Commission will then vote on staff's recommendation at its January 16, 2001 agenda conference. The 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. 000580-WU, Keen Sales, Rentals and Utilities, 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.