

M E M O R A N D U M

April 5, 2001

TO: DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF LEGAL SERVICES (BRUBAKER) *JB*

RE: DOCKET NO. 000584-WS - APPLICATION FOR APPROVAL OF
 STAFF-ASSISTED RATE CASE IN MARTIN COUNTY
 BY LANIGER ENTERPRISES OF AMERICA, INC.

The attached Notice of Customer Meeting was received in the Legal Division on March 29, 2001. Please place the notice in the above-referenced docket file.

Thank you.

JSB/lw

Attachment

cc: Division of Economic Regulation (Fitch)

AMP _____
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DOCUMENT NUMBER-DATE

04283 APR-06

FPSC-RECORDS/REPORTING

BEFORE THE PUBLIC SERVICE COMMISSION
NOTICE OF CUSTOMER MEETINGS TO THE CUSTOMERS OF
LANIGER ENTERPRISES OF AMERICA, INC.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 000584-WS

APPLICATION OF LANIGER ENTERPRISES OF AMERICA, INC.

FOR A STAFF-ASSISTED RATE CASE IN

MARTIN COUNTY

Issued: March 26, 2001

Notice is hereby given that the staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of Laniger Enterprises of America, Inc. (Laniger or Utility) for a staff-assisted rate case in Martin County. The meeting will be held at the following time and place:

6:00 p.m., Monday, April 23, 2001
Martin County Commissioners
Commission Meeting Room
2401 SE Monterey Road
Stuart, Florida 34996

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 Service Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all the customers have been heard.

In addition, the Public Service Commission Staff is also attempting to meet with representatives of customer groups and homeowners associations on April 23, 2001, from 2:00 p.m. to 4:00 p.m. If you are a representative of a customer group or homeowners association and you have not been contacted by the Public Service Commission Staff, please contact Ryan Fitch at (850) 413-6928 at least five calendar days prior to April 23, 2001.

All persons who wish to participate in individual meetings are urged to make an appointment, since the individual meeting session may be canceled if no appointments are made.

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 Laniger's 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 meeting(s), orally or in writing. Written comments may also be sent to the Commission 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

Laniger is a Class C water utility providing service to 283 water customers and 527 wastewater customers in Martin County. The utility's revenues for the test period are \$116,419 and \$114,516 for water and wastewater, respectively, with adjusted operating expenses of \$95,734 and \$155,760 for water and wastewater, respectively. The test period for setting rates is the historical twelve month period ending June 30, 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 approval by

the Commissioners. The utility's current and staff's preliminary rates and charges are as follows:

Monthly Rates - Water
Residential and General Service

Base Facility Charge

<u>Meter Sizes</u>	<u>Existing Rates</u>	<u>Staff's Preliminary Rates</u>
5/8" x 3/4"	\$10.86	\$10.86
3/4"	\$16.28	\$16.28
1"	\$27.14	\$27.14
1 1/2"	\$54.27	\$54.27
2"	\$86.83	\$86.83
3"	\$173.66	\$173.66
4"	\$271.33	\$271.33
6"	\$542.67	\$542.67
<u>Gallorage Charge</u> per 1,000 gallons	\$3.58	\$3.58

Monthly Rates - Water
Multi-Residential Service

<u>Base Facility Charge</u>	<u>Existing Rates</u>	<u>Staff's Preliminary Rates</u>
Per Unit	\$10.86	\$10.86
<u>Gallorage Charge</u> per 1,000 gallons	\$3.58	\$3.58

Our preliminary analysis shows that the utility's current water rates allow the utility to cover its expenses and earn the appropriate rate of return on its investment. Therefore, staff has left water rates unchanged. However, as discussed in Issue No. 9 of the staff report, staff is analyzing whether a change to an inclining-block rate structure for irrigation, swimming pool and recreational area usage is appropriate. Staff's final recommendation on this issue will be contained in its June 12, 2001, Agenda Recommendation.

Monthly Rates - Wastewater

Residential

	<u>Existing Rates</u>	<u>Staff's Preliminary Rates</u>
<u>Flat Rates</u>		
River Club (Per Unit)	\$17.52	\$26.82
<u>Base Facility Charge</u>		
All Meter Sizes	N/A	\$15.18
<u>Gallonge Charge</u>		
per 1,000 gallons	N/A	\$4.20

Monthly Rates - Wastewater

Multi-Residential Service

	<u>Existing Rates</u>	<u>Staff's Preliminary Rates</u>
<u>Base Facility Charge</u>		
Per Unit	\$10.80	\$15.18
<u>Gallonge Charge</u>		
per 1,000 gallons	\$2.70	\$5.04

Monthly Rates - Wastewater

General Service

	<u>Existing</u>	<u>Staff's Preliminary Rates</u>
Flat Rate (River Club Wash House)	\$96.60	\$152.80
<u>Base Facility Charge</u>		
<u>Meter Sizes</u>		
5/8" x 3/4"	\$10.80	\$15.18
3/4"	\$16.22	\$22.77
1"	\$27.02	\$37.95
1 1/2"	\$54.03	\$75.89
2"	\$86.44	\$121.43
3"	\$172.89	\$242.86
4"	\$270.14	\$379.47
6"	\$540.02	\$758.95
<u>Gallonge Charge</u>		
Per 1,000 Gallons	\$2.70	\$5.04

Monthly Rates - Wastewater
Palm Circle Park (Phase I)

	<u>Existing Rates</u>	<u>Staff's Preliminary Rates</u>
<u>Flat Rates</u>		
Palm Circle Park (Per Unit)	\$17.52	\$29.74

Monthly Rates - Wastewater
Palm Circle Park (Phase II)

	<u>Existing Rates</u>	<u>Staff's Preliminary Rates</u>
<u>Base Facility Charge</u>		
Per Unit	N/A	\$15.76
<u>Influent Gallonage Charge</u>		
metered wastewater only customers (per 1,000 gal)	N/A	\$5.04

Water

Residential, Multi-Residential, and General Service

<u>Meter Size</u>	<u>Existing deposit</u>	<u>Staff's Preliminary deposit</u>
5/8" x 3/4"	N/A	\$55.00
All over 5/8" x 3/4"	N/A	2 x average bill

Wastewater

Residential, Multi-Residential, and General Service

<u>Meter Size</u>	<u>Existing deposit</u>	<u>Staff's Preliminary deposit</u>
5/8" x 3/4"	N/A	\$55.00
All over 5/8" x 3/4"	N/A	2 x average bill

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated March 16, 2001. Copies of the report may be

examined by interested members of the public during regular business hours, Monday through Friday, at the following address:

Laniger Enterprises of America, Inc.
2340 NE Dixie Highway
Jensen Beach, Florida 34957

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Public Service Commission Staff will prepare a recommendation which is scheduled to be submitted to the Commission on May 31, 2001. The Public Service Commission will then vote on staff's recommendation at its June 12, 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 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. 000584-WS, Laniger Enterprises of America, 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.