

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for Limited Proceeding
to Recover Costs of Water System
Improvements in Marion County by
Sunshine Utilities of Central Florida, Inc.

Docket No. 992015-WU

AFFIDAVIT OF PAMELA CHRISTMAS

COUNTY OF MARION
STATE OF FLORIDA

NOW COMES Pamela Christmas, who personally appeared before the undersigned
officer duly authorized to administer oaths, and who, after being sworn, states as follows:

1. My name is a Pamela Christmas, I am over 18 years of age and in other respects competent to testify. My statements herein are based on personal knowledge.
2. I am the Manager of Sunshine Utilities of Central Florida, Inc. ("the Utility")
3. The Utility mailed the attached notice of customer meeting to all of its customers August 24, 2001.

Further Affiant sayeth not

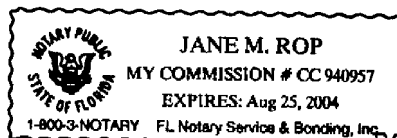
Pamela Christmas
PAMELA CHRISTMAS

On this the 24th day of August, 2001, personally appeared before me, the undersigned authority, Pamela Christmas, personally known, who being duly sworn, deposes and says the she has read the foregoing Affidavit and that the same is true and correct to the best of her knowledge.

Jane M. Rop
NOTARY PUBLIC

My Commission Expires:

JANE M ROP
Printed Name



CC 940957
AUG 27 2001

DOCUMENT NUMBER-DATE

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Sunshine Utilities
10230 E Hwy 25
Belleview FL 34420

FIRST CLASS
PERMIT NO. 23
BELLEVIEW, FL
34420

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF

SUNSHINE UTILITIES OF CENTRAL FLORIDA, INC.

AND

ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 992015-WU

APPLICATION FOR LIMITED PROCEEDING TO RECOVER COSTS
OF WATER SYSTEM IMPROVEMENTS IN MARION COUNTY
BY SUNSHINE UTILITIES OF CENTRAL FLORIDA, INC.

DATED: August 23, 2001

NOTICE is hereby given that the Staff of the Florida Public Service Commission (Commission) will conduct a customer meeting to discuss the application of Sunshine Utilities, Inc. (Sunshine) for a limited proceeding to recover costs of water system improvements in Marion County. The meeting will be held at the following time and place:

6:00 p.m., Thursday, September 13, 2001
Marion County Commission Auditorium
601 S.E. 25th Avenue
Ocala, Florida

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. The meeting will begin as scheduled and will continue until all of the customers have been heard.

In addition to the customer meeting to be held at 6:00 p.m. on September 13, 2001, the Commission Staff have reserved the auditorium and will be available on that afternoon from 2:00-5:00 p.m. to meet with individual customers who desire a more in-depth discussion of the issues. Appointments may be made prior to September 11, 2001, either by contacting Mike Wetherington (Engineer) at (850) 413-7370 or Barry Davis (Accountant) at (850) 413-6437 of the Commission Staff. All persons who wish to participate in individual meetings are urged to make an appointment, since the individual meetings 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 the Commission Clerk and Administrative Services at (850) 413-6770 at least 48 hours prior to the meeting. Any person who is hearing or speech impaired should contact the Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

One or more of the Commissioners of the Commission may attend and participate in the meeting.

PURPOSE

The purpose of the meeting is to give customers and other interested persons an opportunity to offer comments to the Commission Staff regarding the quality of service the utility provides and to ask questions and comment on the utility application for increased rates as well as other issues. Staff members will 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 Commission Staff will have sign-up sheets, and customers will be called in the order that they sign-up to speak. Commission Staff will be available to coordinate customer comments and to assist members of the public.

Any person who wishes to comment or provide information to Commission 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 Commission toll-free facsimile line at 1-800-511-0809.

BACKGROUND

Sunshine Utilities of Central Florida, Inc. is a Class B utility located in Marion County. Sunshine provides water service to approximately 2,871 customers through 21 separate water systems near the Ocala area. As reported in its 2000 Annual Report, the utility's revenues are \$800,591 and its operating expenses are \$758,303, resulting in a net operating income of \$42,288.

On June 7, 2001, Sunshine filed its Second Amended Application for Limited Proceeding to Recover Costs of Water System Improvements in Marion County. In this application, Sunshine seeks to increase its water rates to all customers by 15.73%. Sunshine states that these improvements are necessary to: (1) eliminate contamination of water supply (it has one well with contamination problems and private residential wells between the Hilltop system and the Little Lake Weir system have been discovered to have contamination problems); (2) improve system water quality; (3) meet peak demands; and (4) provide fire-flow to meet Marion County requirements. In this application, Sunshine seeks to consolidate the five systems of Lake Weir, Lakeview Hills, Ocklawaha, Belleview Oaks, and Hilltop. Sunshine proposes to continue use of the existing on-site distribution systems, but proposes to construct a central water system, which will consist of two new wells, treatment facilities, an elevated storage tank, and installation of approximately 12 miles of water mains.

The test period for setting rates is the historical twelve month period ended December 31, 2000.

CURRENT AND REQUESTED RATES

The rates requested by Sunshine are preliminary and subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners. The utility is requesting a 15.73% rate increase to all its customers, and its current and requested rates are as follows:

<u>Residential and General Service</u>	<u>Monthly Rates</u>	
	<u>Present</u>	<u>Proposed</u>
<u>Base Facility Charges</u>		
5/8" X 3/4"	\$ 7.90	\$ 9.14
1"	\$ 19.74	\$ 22.85
1 1/4"	\$ 29.60	\$ 34.26
1 1/2"	\$ 39.48	\$ 45.69
2"	\$ 63.16	\$ 73.10
3"	\$126.53	\$146.42
4"	\$197.37	\$228.42
6"	\$394.75	\$456.84
<u>Gallorage Charges</u>		
Per 1,000 gallons	\$ 1.93	\$ 2.23

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Commission Staff will prepare a recommendation which is tentatively scheduled to be submitted to the Commission on October 4, 2001. The Commission will then vote on Staff recommendation at its October 16, 2001 agenda conference. The Commission will thereafter issue a proposed agency action order containing rates which may be different from those contained in Staff's final recommendation. Substantially affected persons have 21 days to protest the Commission 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 may so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers and interested persons. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by 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 the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

All correspondence should refer to "Docket No. 992015-WU, Application for limited proceeding to recover costs of water system improvements in Marion County by Sunshine Utilities of Central Florida, 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.