

STATE OF FLORIDA

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OFFICE OF THE GENERAL COUNSEL  
HAROLD A. MCLEAN  
GENERAL COUNSEL  
(850) 413-6199

Public Service Commission

March 13, 2002

Mr. Herbert Hein, President  
East Marion Sanitary Systems, Inc.  
G4225 Miller Road suite 190  
Flint, Michigan 48507

**Re: Docket No. 010869-WS, Staff Assisted Rate Case for East Marion Sanitary Systems, Inc. In Marion County**

Dear Mr. Hein:

This will confirm that Commission Staff will hold a customer meeting at the Marion County Commission Auditorium on April 18, 2002. We ask that, if at all possible, you or another knowledgeable representative of the utility attend the meeting in order to answer customer questions. The location of the meeting will be the:

Marion County Commission Auditorium  
601 SE 25<sup>th</sup> Avenue  
Ocala, FL 34471


The original customer meeting notice is enclosed. Please note the date has been left blank so that you can fill in the date that the notice is sent to the customers. The customers must have at least 14 calendar days' notice of the meeting, calculated from the day that they receive the notice. Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

DOCUMENT NUMBER DATE  
03085 MAR 18 02  
FPSC-COMMISSION CLERK

Mr. Hein  
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Also attached are two copies of the staff report dated March 13, 2002. Please ensure that a copy of the completed Application for Staff Assistance and the staff report are available for review by all interested persons at the Lake View Woods Pavilion.

Sincerely,

A handwritten signature in black ink, appearing to read "Ralph Jaeger". The signature is fluid and cursive, with the first name "Ralph" being more prominent and the last name "Jaeger" following in a similar style.

Ralph Jaeger  
Senior Attorney

RJ/rf  
Enclosure (3)

cc: Division of Economic Regulation (Moniz, Fitch, Rendell)  
Division of Commission Clerk and Administrative Services (010869-WS)

BEFORE THE PUBLIC SERVICE COMMISSION  
NOTICE OF CUSTOMER MEETINGS TO THE CUSTOMERS OF  
EAST MARION SANITARY SYSTEMS, INC.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 010869-WS

APPLICATION OF EAST MARION SANITARY SYSTEMS, INC.

FOR A STAFF-ASSISTED RATE CASE IN

MARION COUNTY

Issued:

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

6:00 p.m., Thursday, April 18, 2002  
Marion County Commission Auditorium  
601 SE 25<sup>th</sup> Ave.  
Ocala, FL 34471

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 18, 2002, 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 Sally Moniz at (850) 413-6926 or Ryan Fitch at (850) 413-6928 at least five calendar days prior to April 18, 2002. 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 Commission Clerk and Administrative Services (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 East Marion'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

East Marion Sanitary Systems, Inc. (East Marion or utility) is an existing Class "C" utility which is currently providing water and wastewater service to 39 residential customers in Marion County. The test period for setting rates is the projected twelve month period ending December 31, 2002. The utility's revenues for the test period are \$15,773 for water and \$15,903 for wastewater, with adjusted operating expenses of \$22,835 and \$24,050 for water and wastewater, respectively.

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>Test Year Rates</u>	<u>Staff's Preliminary Rates</u>
5/8" x 3/4"	\$8.70	\$15.34
3/4"	\$13.05	\$23.01
1"	\$21.75	\$38.35
1 1/2"	\$43.50	\$76.70
2"	\$69.60	\$122.73
3"	\$139.20	\$245.45
4"	\$217.50	\$383.52
6"	\$435.00	\$767.04
<u>Gallonage Charge</u> (Per 1,000 Gallons)	\$1.27	\$2.29

Monthly Rates - Wastewater

RESIDENTIAL

	<u>Test Year Rates</u>	<u>Staff's Preliminary Rates</u>
<u>Base Facility Charge</u>		
<u>Meter Size:</u>		
All Meter Sizes	\$9.61	\$14.24
<u>Gallonage Charge</u> Per 1,000 Gallons (10,000 gallon cap)	\$1.83	\$4.79

Monthly Rates - Wastewater

GENERAL SERVICE

	<u>Test Year</u>	<u>Staff's Preliminary Rates</u>
<u>Base Facility Charge</u>		
<u>Meter Sizes</u>		
5/8" x 3/4"	\$9.61	\$14.24
3/4"	\$14.42	\$21.37
1"	\$24.03	\$35.61
1 1/2"	\$48.05	\$71.22
2"	\$76.88	\$113.95
3"	\$153.76	\$227.90
4"	\$240.25	\$356.09
6"	\$480.50	\$712.19
<u>Gallonage Charge</u>		
Per 1,000 Gallons	\$1.83	\$5.75

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated March 13, 2002. Copies of the report may be examined by interested members of the public during regular business hours, Monday through Friday, at the Lake View Woods Pavilion.

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 9, 2002. The Public Service Commission will then vote on staff's recommendation at its May 21, 2002, 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 Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

All correspondence should refer to "Docket No. 010869-WS, East Marion Sanitary Systems. 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.

