

STATE OF FLORIDA

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(850) 413-6199

ORIGINAL

Public Service Commission

May 29, 2002

Mr. James Vaughn, President
Tevalo, Inc d/b/a McLeod Gardens.
P.O. Box 2898
Winter Haven, FL 33880

Re: Docket No. 011677-WU, Staff Assisted Rate Case for Tevalo, Inc. d/b/a McLeod Gardens Water Company

Dear Mr. Vaughn:

This will confirm that Commission Staff will hold a customer meeting at the Chain of Lakes Complex on June 27, 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:

Chain of Lakes Complex
210 Cypress Gardens
Winter Haven, Florida 33880

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.

AUS _____
CAF _____
CMP _____
COM _____
CTR _____
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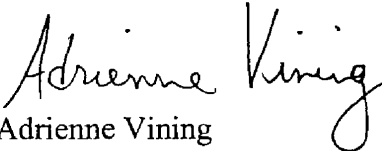
Internet E-mail: contact@psc.state.fl.us

DOCUMENT NUMBER - DATE
05684 MAY 29 2002
FPSC-COMMISSION CLERK

Mr. Vaughn
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Also attached are two copies of the staff report dated May 14, 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 Model Home at 307 Arrowroot Road, Winter Haven, FL 33880.

Sincerely,


Adrienne Vining
Attorney

AV/rf
Enclosure (3)

cc: Division of Economic Regulation (Fitch, Rendell)
Division of Commission Clerk and Administrative Services (011677-WU)

BEFORE THE PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETINGS

TO THE CUSTOMERS OF McLEOD GARDENS WATER COMPANY

AND

ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 011677-WU

APPLICATION OF TEVALO, INC. d/b/a McLEOD GARDENS WATER COMPANY

FOR A STAFF-ASSISTED RATE CASE IN POLK COUNTY

DATED: _____

NOTICE is hereby given that the Florida Public Service Commission will conduct a customer meeting to discuss the application of Tevalo, Inc. d/b/a McLeod Gardens Water Company (McLeod Gardens or Utility) 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, June 27
Chain of Lakes Complex
210 Cypress Gardens
Winter Haven, Florida 33880

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 is also attempting to meet with representatives of customer groups and homeowners associations on June 27, 2002, from 2:00pm to 4:00pm. 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 June 27, 2002.

All persons who wish to participate in individual meetings are urged to make an appointment, since the individual meetings may be cancelled 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 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(s) is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission 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 McLeod Gardens's proposed filing and 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 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

McLeod Gardens is a Class C water utility providing service to approximately 57 residential customers in Polk County. The utility's adjusted revenues for the test period are \$13,012 with adjusted operating expenses of \$25,493 resulting in a net operating loss of \$12,481 for the test period. The test period for setting rates is the historical twelve month period ending December 31, 2001.

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>
Flat Rate	\$18.00	N/A
5/8" x 3/4"	N/A	\$13.47
3/4"	N/A	\$20.20
1"	N/A	\$33.67
1 1/2"	N/A	\$67.33
2"	N/A	\$107.73
3"	N/A	\$215.47
4"	N/A	\$336.67
6"	N/A	\$673.33

Gallonge Charge

Per 1,000 gallons	N/A	\$3.63
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Water Customer Deposits
Residential and General Service

<u>Meter Size</u>	<u>Existing Deposit</u>	<u>Preliminary Deposit</u>
5/8" x 3/4"	N/A	\$96.00
All over 5/8" x 3/4"	N/A	2 x average bill

Miscellaneous Service Charges

	<u>Existing Charge</u>	<u>Preliminary Charge</u>
Tap in Fee	\$275	N/A
Plant Capacity Charge	N/A	\$275
Meter Installation Fee	N/A	\$115

The following is a comparison of current and preliminary rates based on a 5/8" x 3/4" meter for 3,000, 5,000, 10,000, and 12,000 gallons:

<u>Gallons</u>	<u>Existing Rate</u>	<u>Preliminary Rate</u>
3,000	\$18.00	\$24.36
5,000	\$18.00	\$31.62
10,000	\$18.00	\$49.77

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated May 14, 2002. Copies of the report may be examined by interested members of the public during regular business hours, Monday-Friday, at the following address:

Tevalo Model Home
307 Arrowroot Rd.
Winter Haven, Florida 33880

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, the Public Service Commission Staff will prepare a recommendation which is scheduled to be submitted to the Commission on July 25, 2002. The Public Service Commission will then vote on staff's recommendation at its August 6, 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 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 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. 011677-WU, Tevalo,
Inc. d/b/a McLeod Gardens Water Company."

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.