



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: October 29, 2002
TO: Division of the Commission Clerk and Administrative Services
FROM: Office of the General Counsel (Gervasi) *GG*
RE: Docket No. 020406-WU - Application for staff-assisted rate case in Polk County by Pinecrest Ranches, Inc.

Please file the attached letter with attached Notice of Customer Meeting from Mr. Norman Duncan, President, dated October 28, 2002, in the docket file for the above-referenced docket.

RECEIVED FPSC
OCT 29 PM 1:38
COMMISSION
CLERK

RG/dm

cc: Division of the Commission Clerk and Administrative Services
Division of Auditing and Safety (McPherson, Vandiver)
Division of Economic Regulation (Fitch, Biggins, Davis, Hudson, Lingo, Massoudi, Rendell, Willis)

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FPSC-COMMISSION CLERK

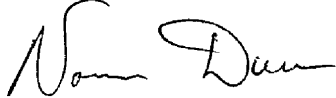
PINECREST RANCHES, INC.
P.O. Box 369
Highland City, FL 33846

Roseanne Gervasi
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 33899-0850

Dear Ms. Gervasi:

We have enclosed a copy of the notice sent to all our customers on October 11, 2003. They were dropped the post office on this date. It generally takes 1-2 days for them to receive any mailings. If you need further assistance, please do not hesitate to call.

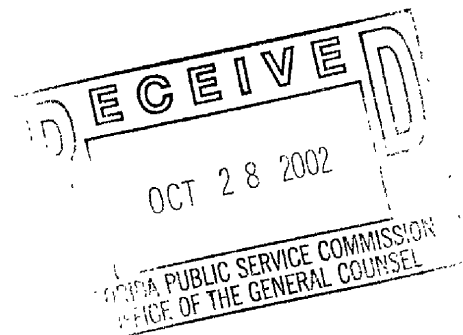
Sincerely,



Norman Duncan, President

SND/ss

Enclosure



Pinecrest Ranches Inc.

6115 Bartow highway East
Mailing address is, PO Box 369 Highland City Florida, 33846-0369
Office phone; voice mail & fax; 863 537 1411
Emergency phone; 863 559 7997

Dear Pinecrest Customers

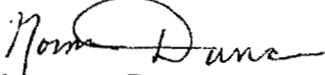
October 17,2002

Enclosed is a notification from the Public Service Commission. It is a notice of a public meeting to be held on November 7, 2002, regarding a discussion of the application of Pinecrest Ranches, Inc. for a staff-assisted rate case.

We are changing our office hours from October 14, 2002 through November 7th, 2002, Monday - Friday. We will be open from 9:30-11:30 am to provide you the opportunity to review the Public Service application and reports in our office. Our office is often open more hours than the above designated hours. If the door is open you are welcome to come in.

The review period is over on 11/7/2002. On 11/8 our office hours will revert back to our regular hours of 7:30 am to 9:30 am Monday through Friday.

Sincerely,


Norman Duncan
President

BEFORE THE PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETINGS

TO THE CUSTOMERS OF
PINECREST RANCHES, INC.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 020406-WU

APPLICATION FOR STAFF-ASSISTED RATE CASE
IN POLK COUNTY BY PINECREST RANCHES, INC.

DATED: 10/10/2002

Notice is hereby given that the staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of Pinecrest Ranches, Inc. (Pinecrest 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, November 7, 2002
Chain of Lake Complex
Poolside Room
210 Cypress Gardens Blvd
Winter Haven, 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. 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 November 7, 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

NOTICE OF CUSTOMER MEETINGS
DOCKET NO. 020406-WU
PAGE 2

Commission Staff, please contact Tracey Biggins at (850) 413-6844 at least five calendar days prior to November 7, 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 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 Pinecrest'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

Pinecrest Ranches Inc. (Pinecrest or Utility) is a class C utility which is currently providing water service to 129 mobile homes in a community in Polk County known as Citrus Highlands. The utility has been in existence and providing water service since mid 1987. According to the utility's 2001 annual report, the utility had a gross revenue of \$20,195 and an operating expense of \$32,934.

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 | \$12.85 | N/A |
| 5/8" x 3/4" | N/A | \$10.46 |
| 3/4" | N/A | \$15.69 |
| 1" | N/A | \$26.15 |
| 1 1/2" | N/A | \$52.30 |
| 2" | N/A | \$83.68 |
| 3" | N/A | \$167.37 |
| 4" | N/A | \$261.51 |
| 6" | N/A | \$523.02 |
| <u>Gallonage Charge</u> | | |
| Per 1,000 Gallons | N/A | \$3.25 |

Water

Residential and General Service

| <u>Meter Size</u> | <u>Existing deposit</u> | <u>Preliminary deposit</u> |
|----------------------|-------------------------|----------------------------|
| 5/8" x 3/4" | N/A | \$70.00 |
| All over 5/8" x 3/4" | N/A | 2 x average bill |

Water

Residential and General Service

| | <u>Existing Charge</u> | <u>Preliminary Charge</u> |
|----------------------------------|------------------------|---------------------------|
| <u>Meter Installation Charge</u> | | |
| 5/8" x 3/4" | N/A | \$153.00 |
| All Over 5/8" x 3/4" | N/A | Actual Cost |

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated September 24, 2002. Copies of the report may be examined by interested members of the public during regular business hours, Monday through Friday, during regular business hours at the following address:

Pinecrest Ranches, Inc.
6115 Bartow Highway East
Bartow, Florida

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 December 5, 2002. The Public Service Commission will then vote on staff's recommendation at its December 17, 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

NOTICE OF CUSTOMER MEETINGS
DOCKET NO. 020406-WU
PAGE 5

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, Florida 32399-0850

All correspondence should refer to "Docket No. 020406-WU, Pinecrest Ranches, 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.