

ORIGINAL

GUASTELLA ASSOCIATES, INC.

UTILITY MANAGEMENT • VALUATION • RATE CONSULTANTS

100 BOYLSTON STREET, SUITE 800
BOSTON, MA 02116
TEL: (617) 423-3030
FAX: (617) 423-2929

March 27, 2003

Ms. Blanca Bayo, Director
Division of Commission Clerk and Administrative Service
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 020439-SU - Application for Staff Assisted Rate Case
Sanibel Bayous Utility Corporation

Dear Ms. Bayo:

In order to avoid individual mailings, may I take the liberty of asking you to distribute the enclosed copies to the Staff members listed below. Thank you for your assistance.

Sincerely,
GUASTELLA ASSOCIATES, INC.



John F. Guastella
President

CC: Staff members Jaeger, Rendell, Merta, Iwenjiora, Massoudi and Davis.

- AUS _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- MMS _____
- SEC _____
- OTH _____

*1 + copy of cover letter
copy to each
Staff person
named above -
with copy of cover letter*

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Re: Docket No. 020439-SU - Application for Staff Assisted Rate Case
Sanibel Bayous Utility Corporation

Dear Ms. Bayo:

I am writing this letter on behalf of Sanibel Bayous Utility Corporation ("Company") in order to furnish additional information to the Staff of the Division of Economic Regulation ("Staff") with respect to connection fees.

The Company has examined individual customer cards in order to establish the actual amount of connection fees paid over the years. The enclosed schedules for the "Herons Landing" and "Sanibel Bayous" developments provide the date, fee, lot, customer and address for each fee that was paid. The following is a further summary of that data:

<u>Charge</u>	<u>Units</u>	<u>Amount</u>
\$ 300	18	\$ 5,400
\$ 500	14	7,000
\$ 600	9	5,400
\$ 800	3	2,400
\$ 975	6	5,850
\$1,825	15	27,375
\$2,625	57	149,625
Total	122	\$203,050

You will recall from my January 31, 2003 letter that there were no connection fees charged to the 108 multi-family units at the Blind Pass condos or the 28 single-family units at The Ridge development, and none for the 3 Bath Houses. That information remains unchanged. However, my January 31st letter showed that a total of 128 units were charged various connection fees, for a total of \$213,400. As the above

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table shows, there were only 122 units that were actually charged a fee, for a total of \$203,050. The Company's latest and more thorough examination shows that apparently 6 units were home models for which no fees were charged to the purchaser, which is a reasonable explanation for the \$10,350 difference. My January 31st letter also has a different mix of the amount of the fees, which has also been corrected by the Company's latest card-by-card examination.

At this point, the Company has made a significant effort to find and compile detailed data for each fee, going back to its inception – not an easy task. Copies of the individual customer cards are being sent to you directly by the Company. In addition to relying on the Company's compilation of the data from these cards, I found that the results are consistent with the broader approaches that I had previously undertaken to estimate the amounts collected. My first estimate of \$226,596 was based on an account balance of \$118,951 in 1993 and then adding fees of \$2,625 for each of the customers added since that year. At the time I prepared my January 31st letter, I reviewed another summary that was prepared by the Company, arriving at the \$213,450 estimate as described in that letter. The current figure is apparently the most accurate. It is made on the basis of specific information for each customer, individually identified. Also, the number of units is exactly in line with the Company's "Cash Receipts" analysis for the years 1988 – 2001 that was provided to Staff as part of the Company's first response in this investigation.

I know that Staff has afforded the Company this additional opportunity to support a rate increase in a special effort to assist this small utility, and to help establish rates that will enable the Company to continue to provide adequate service. This accommodation is sincerely appreciated.

Please advise if there is any other specific information Staff requires on this issue or the other issues mentioned in my January 31st letter.

Sincerely,

GUASTELLA ASSOCIATES, INC.



John F. Guastella
President

CC: Staff members Jaeger, Rendell, Merta, Iwenjiora, Massoudi and Davis.
Sanibel Bayous Utility Corporation

SANIBEL BAYOUS UTILITY COMPANY: HOOK UP HISTORY

YEAR OF HOOKUP	HOOK UP FEE	LOT #	OWNER	ADDRESS	COMMENTS
03/01/86	\$ 600 00	0	Alexander, Doyle	1769 Bowmans Bch Rd	
12/14/82	\$ 500 00	87	Hanson, Marquerite	2088 Wild Lime Dr	
1975	\$ 300 00	88	Almack,Lorne	2080 Wild Lime Dr	
09/02/98	\$ 2,625 00	89	Moore, Mitch	2082 Wild Lime Dr.	
10/05/78	\$ 600 00	90	Wigand, Jeannie	2074 Wild Lime Dr.	
03/26/87	\$ 975.00	91	Bonter, Neil	2055 Wild Lime Dr	
05/01/84	\$ 500 00	92	Frese,Janle	2058 Wild Lime Dr	
06/20/83	\$ 300 00	93	Mitchie, Sharon	2050 Wild Lime Dr	
07/18/85	\$ 500 00	94	Arbuckle, Robert	2042 Wild Lime Dr	
01/30/84	\$ 500 00	95	Ryan, Thomas	8564 Dinkins Bayou Rd	
09/20/99	\$ 2,625 00	96	Cantalupo, Rocco	2026 Wild Lime Dr	
02/29/84	\$ 500 00	97	WWSM	2018 Wild Lime Dr.	
04/29/88	\$ 300 00	98	Langton, Stuart	2010 Wild Lime Dr	
05/20/88	\$ 1,825 00	101	Rankin, Dean	1986 Wild Lime Dr	
05/24/84	\$ 500.00	102	Wood, Jean	1978 Wild Lime Dr	
10/26/98	\$ 2,625 00	103	Malone, Patrick	1970 Wild Lime Dr	
1975	\$ 300 00	104	Kirby, Don	1962 Wild Lime Dr	
07/20/80	\$ 300 00	106	Altieri, Michael	1973 Wild Lime Dr	
01/03/98	\$ 2,625.00	107	Lederman, George	1986 Wild Lime Dr	
09/08/93	\$ 2,625 00	108	Bakely, Carol	4563 Brainard Bayou Rd	
09/26/89	\$ 1,825 00	109	Maudlin, Don	4577 Brainard Bayou	
02/14/94	\$ 2,625.00	110	Knaus, Robert	4587 Brainard Bayou	
04/25/01	\$ 2,625 00	111	Millis Brothers	4599 Brainard Bayou Rd	
05/22/78	\$ 600 00	112	Germundsen, Dennis	4609 Brainard Bayou	
08/19/78	\$ 600 00	113	Ginlpro, Andrew	4619 Brainard Bayou	
10/01/83	\$ 300 00	114	Robinson, Michael	4629 Brainard Bayou Rd	
10/01/77	\$ 300 00	115	Capps, R V	4639 Brainard Bayo	
05/17/96	\$ 2,625 00	117	Ohl, Ken	2099 Wild Lime Dr	
07/22/78	\$ 300 00	118	Cummings, John	2079 Wild Lime Dr	
06/04/93	\$ 2,625 00	119	Arnold, Scarlett	2065 Wild Lime Dr	
09/28/89	\$ 1,825 00	120	Bock, D M	2053 Wild Lime Dr	
03/26/87	\$ 975 00	121	Corke, Mark	2045 Wild Lime Dr	
1986	\$ 300 00	122	Benzilhem, Leon	2031 Wild Lime Dr	
03/16/81	\$ 300 00	123	Greenfield, Barry	2015 Wild Lime Dr	
10/13/78	\$ 600.00	124	Ray, Charles	4560 Brainard Bayou Rd	
10/26/92	\$ 2,625.00	125	Greenfield, Barry	4582 Brainard Bayou Rd	
04/02/87	\$ 975 00	126	Burnsed, Joseph	4590 Brainard Bayou Rd	
01/14/86	\$ 600 00	127	Clare, Frank	4606 Brainard Bayou	
11/21/01	\$ 2,625.00	128	Regan, Pat	4616 Brainard Bayou Rd	
06/30/83	\$ 500 00	129	Finnell, Philip	4626 Brainard Bayou	
10/08/84	\$ 300 00	130	Ogden, Gary	4648 Buck Key Rd	
05/26/78	\$ 600 00	131	Van Laere, John	4636 Buck Key Rd	
11/21/01	\$ 2,625 00	134	Baetz, Paul A	4606 Buck Key	
09/06/01	\$ 2,625 00	135	Pendleton/Ayers	4596 Buck Key Rd	
04/12/02	\$ 2,625 00	137	Schneider, James	4576 Buck Key Rd	Home completed 2/2003
02/26/87	\$ 975 00	140	Meardon, Dave	4546 Buck Key Rd	
04/24/81	\$ 300 00	141	Greten, Kevin	4557 Bowen Bayou Rd.	
05/17/99	\$ 2,625 00	143	Morgan, George	4573 Bowen Bayou Rd	
01/08/96	\$ 2,625 00	144	Schoenig, Eric	4585 Bowen Bayou Rd	
07/01/92	\$ 2,625 00	145	Holmes, Charles	4597 Bowen Bayou Rd	
09/24/01	\$ 2,625 00	146	Van Bokkelen, Wolter	4609 Bowen Bayou Rd	
10/01/80	\$ 300 00	147	Evans, Elizabeth	4619 Bowen Bayou Rd	
01/12/90	\$ 1,825 00	148	Coughlin, Charles	4631 Bowens Bayou	
02/01/90	\$ 1,825 00	150	Strobel, Manfred	1985 Sanibel Bayous Rd	
06/14/01	\$ 2,625.00	151	Donalds, Neri	4547 Buck Key Rd	
09/28/89	\$ 1,825 00	152	Heeney, Thomas	4539 Bowen Bayou Rd	
11/03/89	\$ 1,825 00	153	Smith, Raymond	4523 Bowen Bayou Rd	
05/04/84	\$ 500.00	154	Cattell, Donald	4515 Bowen Bayou Rd	
01/22/80	\$ 300.00	155	Fitzpatrick, Gerard	4505 Bowen Bayou Rd.	
06/15/79	\$ 300 00	156	Sands, Joan	4506 Bowen Bayou Rd.	
08/11/89	\$ 1,825 00	157	Meller, Robert	4516 Bowen Bayou Rd	
11/16/96	\$ 2,625 00	158	Givler, Randall	4518 Bowen Bayou Rd	
09/22/98	\$ 2,625 00	159	Blanda, Joe	4534 Bowen Bayou Rd	
02/20/84	\$ 500 00	161	Lewis, Lottie Ann	4542 Bowen Bayou Rd	
09/28/81	\$ 300.00	162	Davies, Duncan	4556 Bowen Bayou Rd	
02/22/82	\$ 500 00	163	Schimberg, Oriene	4562 Bowen Bayou Rd	
05/31/99	\$ 2,625 00	164	Green, Robert	4570 Bowen Bayou Rd	
09/23/86	\$ 800 00	167	Sailer, Edward	4598 Bowen Bayou Rd	
09/02/86	\$ 800 00	168	Kreutzberger, Karl	4610 Bowen Bayou Rd	
07/29/88	\$ 1,825 00	170	Gestwicki, Ron	1957 Sanibel Bayous Rd	
05/14/87	\$ 975.00	171	Butler, William	1943 Sanibel Bayous Rd	
06/24/88	\$ 1,825 00	172	Rose, Jannis	1929 Sanibel Bayou Ln	
12/29/98	\$ 2,625 00	173	Downing, George	1915 Sanibel Bayous Road	
11/24/86	\$ 800 00	175	Henner, Murray	5267 Lady Finger Lake Rd	
12/27/91	\$ 2,625 00	176	Kirchner, Matt	5279 Ladyfinger Lake Rd	
06/24/98	\$ 2,625 00	197	Bertoni, Ribello	5268 Ladyfinger Lake Rd	
05/01/82	\$ 500 00	198	Walters, Hilda	5273 Umbrella Pool Rd	
05/12/77	\$ 300 00	211	Thompson, Robert	5308 Umbrella Pool Rd	
04/29/99	\$ 2,625 00	212	Wxey, Barry	5306 Umbrella Pool Rd	
04/12/99	\$ 2,625 00	213	Young, Richard	5304 Umbrella Pool Rd	
05/11/98	\$ 2,625 00	214	Halliday, John	5302 Umbrella Pool Road	
10/24/96	\$ 2,625.00	216	Mehlig, Dana	5298 Umbrella Pool Rd	
05/04/84	\$ 500 00	217	Muhler, Hans	5296 Umbrella Pool Rd	
04/17/00	\$ 2,625 00	218	Hanna, Jack	5294 Umbrella Pool Rd	
09/24/79	\$ 300 00	219	Cavaseno, Jim	5303 Umbrella Pool Rd	
07/14/99	\$ 2,625 00	220	Champ, David	1838 Long Point Lane	
01/25/83	\$ 500 00	221	Clary, Marcus	1834 Long Point Lane	
11/27/85	\$ 500.00	222	Rauschert, Richard	1832 Long Point Lane	
10/28/85	\$ 600 00	224	Harlow, Charlotte	1821 Long Point Lane	
06/01/80	\$ 600 00	226	Zubriggen, Rick	1813 Long Point Rd	
05/01/96	\$ 2,625 00	227	McLaughlin, Michael	5280 Umbrella Pool Rd	
04/20/87	\$ 975 00	228	Mucciga, Andrea	5274 Umbrella Pool Rd	
TOTALS	\$ 128,300 00				

SANIBEL BAYOUS UTILITY COMPANY: HOOK UP HISTORY						
YEAR OF HOOKUP	HOOKUP FEE	LOT #	PHASE	OWNER	ADDRESS	COMMENTS
10/10/98	\$ 2,625.00	2	1	Rosenberg, Herb	5435 Osprey Ct.	
05/11/98	\$ 2,625.00	3	1	Salisbury, Dr Richard	5431 Osprey Ct	
09/01/97	\$ 2,625.00	4	1	Wannamaker, William	5427 Osprey Ct	
05/28/96	\$ 2,625.00	5	1	Miller, Ed	5423 Osprey Ct	
08/21/92	\$ 2,625.00	6	1	Wondrack, Robert	5419 Osprey Ct	
04/25/90	N/A	7	1	Gardner, Tim	5415 Osprey Ct	
09/26/92	\$ 2,625.00	8	1	West, Gary	5411 Osprey Ct	
04/24/89	\$ 1,825.00	10	1	Badalich, Diane	1995 My Tern Ct	
01/02/96	\$ 2,625.00	12	1	Graham, Andrew	1987 My Tern Ct	
09/16/98	\$ 2,625.00	13	1	Plate, David	1983 My Tern Ct	
07/14/88	\$ 1,825.00	14	1	Morey, Hartley	1986 My Tern Ct	
06/20/00	\$ 2,625.00	15	1	Andrews, David	1990 My Tern Ct	
02/12/01	\$ 2,625.00	17	1	Maddock, David	5402 Osprey Ct	
10/17/88	\$ 1,825.00	18	1	Schnormeier, Ted	5406 Osprey Ct	
02/03/92	\$ 2,625.00	19	1	Nichols, Dr J.	5410 Osprey Ct	
12/27/00	\$ 2,625.00	20	1	Greenfield, Edward	5414 Osprey Ct	
03/25/92	N/A	21	1	Collen, Bruce	5418 Osprey Ct	
03/25/92	N/A	22	1	Breda, William	5422 Osprey Ct	
06/20/00	\$ 2,625.00	23	1	Connor, John	5426 Osprey Ct	
01/23/02	\$ 2,625.00	24	1	Milewski, Linda	5430 Osprey Ct.	
03/01/89	NONE	Bath Hse	1	Heron's Landing Homeowners Assoc	PO Box 100	(2) Amenity Ctrs
02/01/03	\$ 2,625.00	1	2	Costa, Ruben	5379 Shearwater Dr	
08/14/01	\$ 2,625.00	3	2	Weston, John	5387 Shearwater Dr.	
09/25/00	\$ 2,625.00	4	2	Abbott, Steve	5391 Shearwater Dr	
09/25/89	\$ 1,825.00	7	2	Thornley, Pete	5403 Shearwater Dr	
01/24/97	N/A	9	2	Beattie, Phyllis (Gutierrez, Francisco)	5411 Shearwater Dr	
04/01/93	\$ 2,625.00	10	2	Miller, Richard	5415 Shearwater Dr	
06/29/99	\$ 2,625.00	11	2	Taylor, Al	5419 Shearwater Dr	
09/19/01	\$ 2,625.00	B	2	Daniel Wayne homes	5423 Shearwater Dr.	
11/01/93	\$ 2,625.00	5 & 6	2	Taylor, Tom	5395 Shearwater Dr	
09/19/01	\$ 2,625.00	A	2	Abraham, William	5421 Shearwater Dr.	
1990	N/A	C	2	Neal, Michael	5429 Shearwater Dr	
1990	N/A	D	2	Harpham, Malcolm	5431 Shearwater Dr	
11/01/89	\$ 1,825.00	F	2	Morgan, Bill	5438 Shearwater Dr	
10/09/00	\$ 2,625.00	G	2	Daniel Wayne homes	5424 Shearwater Dr	
10/06/00	\$ 2,625.00	H	2	Ladd, David	5422 Shearwater Dr	
11/01/89	\$ 2,625.00	H	2	Mirowsky, John	5436 Shearwater Dr	
TOTALS	\$ 74,750.00					