

STATE OF FLORIDA

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(850) 413-6199

Public Service Commission

July 8, 2003

Mr. Kenneth J. Wankowski
W353 N5984 Lisbon Road
Oconomowoc, WI 53066-2422

Re: Docket No. 030471-WS - Application for transfer of Certificate Nos. 598-W and 513-S in Polk County from Bieber Enterprises, Inc. d/b/a Breeze Hill Utilities to Cal Clair, Inc. d/b/a Breeze Hill Utility.

Dear Mr. Wankowski:

Thank you for your response to the notice of the above-referenced docket. In your response, you have indicated that you object to the approval of the application filed by Cal Clair, Inc. d/b/a Breeze Hill Utility.

Specifically, you state that your objection stems from a concern of lack of oversight by the Commission since Order No. PSC-02-1114-PAA-WS was issued in Docket No. 011481-WS, which, among other things, approved the utility's requested expense for a maintenance employee. As indicated in that Order, the Commission approved this expense as prudent and reasonable to operate this utility on a going-forward basis. This finding was based on the approved test year for that particular docket, which was January through December of 2001.

As is often the case in rate cases, changes will occur on a going-forward basis starting with the day immediately following the test year. These changes may often include the changing of employees or the shifting of the employee's duties, as well as other expenses and/or investments. Pursuant to Rule 25-30.110(3), Florida Administrative Code, each utility is required to file an annual report with the Commission each year. Using that annual report, the Commission staff performs an annual review of the utility's revenues and expenses for potential overearnings. If the utility is no longer incurring the cost or similar cost that was approved in the Order, potential overearnings may exist and a docket will be opened to investigate. If the utility is ultimately deemed to be overearning, the Commission may reduce rates to eliminate the overearnings.

You also state in your letter that the customers of **Breeze Hill** have been advised in writing that the transfer of the ownership of the mobile home park from Bieber Enterprises, Inc., to Cal Clair, Inc. is subject to approval by the Commission. Not having reviewed the particular document that states this, I can not comment on this assertion. However, I can assure you that the

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Commission's approval or denial of the application that is the subject of this docket is based on whether the transfer of the *utility and its water and wastewater certificates* is in the public interest. The Commission does not have any authority to deny or approve the proposed transfer of the mobile home park itself.

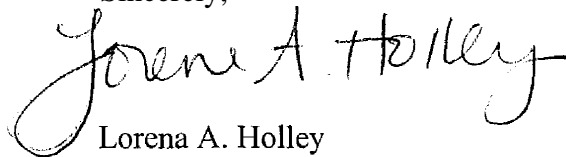
The Commission needs to know your intent regarding your objection in this docket. If you choose to pursue the objection, you may request a formal hearing, which will be scheduled for a later date, and **at** which you will be required to provide testimony and other evidence to support your protest of the transfer of the utility. The Commission allows individuals to represent themselves at hearing; however, you may wish to hire an attorney to represent you.

Please advise me by Monday, July 28, 2003, if you intend to pursue your objection and wish to request a formal hearing. Your request should be made in writing and should be addressed to Blanca Bayo, Director, Division of Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. If we do not hear from you by July 28, 2003, we will assume that you do not wish to pursue a formal hearing, and your letter will be placed in the correspondence side of the docket file.

Finally, **per** your request in your letter, please find enclosed with this letter, a copy of Cal Clair, Inc.'s application for approval of the transfer, which is what was submitted to the Commission by Cal Clair, Inc. in support of its contention that it has the resources and the technical ability to operate the system and provide all required services. A copy of all documents are also available for review on our website at www.floridapsc.com under the docket number.

Should you have any questions regarding this letter, please do not hesitate to contact me at (850)413-6185.

Sincerely,



Lorena A. Holley
Senior Attorney

Enclosure

cc: Representative Baxter G. Troutman
Office of Public Counsel
Bieber Enterprises, Inc. d/b/a Breeze Hill Utility
Cal Clair, Inc. d/b/a Breeze Hill Utility
Charles Sheppard
Division of Commission Clerk and Administrative Services
Division of Economic Regulation (Rendell)