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March 9, 2004

Blanca S. Bayo, Director
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Building, Room 110
Tallahassee, FL 32399-0850

Via Hand Delivery

ADMISSION
CLERK
MAR -9 PM 4:21

Re: Docket No. 030443-SU-WS
Application of Labrador Utilities, Inc., for Rate Increase in Pasco County, Florida

Dear Ms. Bayo:

Enclosed for filing, on behalf of Forest Lake Estates Co-op, Inc., are an original and seven copies of:

- 03323-04 1. Motion to Intervene and Motion for Reconsideration of Order Approving Interim Rates and for Emergency Rate Relief of Forest Lake Estates Co-Op, Inc., and
- 03324-04 2. Forest Lake Estates Co-Op, Inc.'s Request for Oral Argument on its Motion to Intervene and Motion for Reconsideration of Order Approving Interim Rates and for Emergency Rate Relief.

Please acknowledge receipt of the foregoing by stamping the enclosed extra copy of this letter and returning same to my attention. Thank you for your assistance.

Sincerely,

RUDEN, McCLOSKY, SMITH,
SCHUSTER & RUSSELL, P.A.

Kathryn G.W. Cowdery
Attorney

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

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RUDEN, McCLOSKY, SMITH, SCHUSTER & RUSSELL, P.A.

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FPSC-COMMISSION CLERK

*Done
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for rate increase in Pasco) Docket No. 030443-WS
County by Labrador Utilities, Inc.)
_____)

MOTION TO INTERVENE AND
MOTION FOR RECONSIDERATION OF ORDER APPROVING INTERIM
RATES AND FOR EMERGENCY RATE RELIEF
OF FOREST LAKE ESTATES CO-OP, INC.

Forest Lake Estates Co-Op, Inc. (the "Co-Op"), pursuant to Fla. Admin Code R. 25-22.029, 28-106.201(2), and 25-22.060, hereby files this motion to intervene and motion for reconsideration of Order Approving Interim Rates, Order No. PSC-04-0200-PCO-WS, issued February 24, 2004, and request for emergency rate relief in the above docket, and as support states:

The Co-Op's Motion to Intervene Should be Granted

1. The Co-Op is a substantially affected party in this docket with address of 6429 Forest Lake Drive, Zephyrhills, FL 33540 and telephone number (813) 783-7979. The Co-Op consists of 268 shareholders who are each individual residents of the Forest Lake Estates Coop, Inc., 892 lot residential community. As such, each shareholder of the Co-Op is an individual, residential service customer of Labrador Utilities, Inc. (the "Utility"). Further, the Co-Op itself is the owner of Forest Lake R.V. Resort ("R.V. Resort"), and is a bulk service customer of the Utility which pays one monthly bill to the Utility for the R.V. Resort water and wastewater utility service. The R.V. Resort contains 274 R.V. lots.

2. The substantial interests of the Co-Op will be and have been affected as a result of the Utility's October 27, 2003 filing of its Application for Increase in Rates ("Application"). The substantial interests of the Co-Op have already been affected through implementation of interim rates by the Utility prior to customers' receiving notice of said increase. The interim rate increase is substantial, representing an annual revenue increase of 272.85% for water and 129.85% for wastewater. The interim rates increased the residential customers' combined monthly water and wastewater bill from \$15.00 to \$39.02, and the monthly bill to the Co-Op, a bulk service customer, from \$2,740 to \$7,145.92 (that is, from \$10.00 per R.V. lot to \$26.08 per lot).

3. The Utility has followed an unusual course in the filing of its Application for Increase in Rates ("Application"). Although the Application filed October 27, 2003 appears standard in format, including a request for interim rates, the MFRs were identified as being a late filed exhibit, to be filed on or before June 30, 2004. As a result, the customer noticing required pursuant to Fla. Admin. Code R. 25-22.0407 to be accomplished within 50 days of the official date of filing established by the Commission, will not occur until sometime in August, 2004. Due to this, the interim rates were processed and effectuated with the customers being unaware that a rate application had even been filed. Generally, by the time the interim rates have been established, the customers at least have an understanding that a rate proceeding has been initiated. Although the procedure followed in this docket is not in technical violation of any rule or statute, it may be said to be contrary to the intent of the noticing rules which do not contemplate MFRs being filed eight months following the Application being filed with the Commission. The granting of party status to the Co-Op through intervention in this

docket will allow the Co-Op to receive copies of all filings and pleadings which will be generated in this docket in order that it may be fully informed as to the developments in this docket. Second, the granting of party status to the Co-Op through intervention in this docket will allow the Co-Op to request reconsideration of the interim rate order and to request emergency rate relief.

The Co-Op's Request for Emergency Rate Relief Should be Granted

4. The Order Approving Interim Rates, Order No. PSC-01-0200-PCO-WS, issued February 24, 2004, orders that the interim rates authorized shall become effective for service rendered as of the stamped approval date on the tariff sheets, provided customers have received notice. The Co-Op received a Notice of Interim Rate Increase which stated that the interim rates were approved by the PSC on February 3, 2004, and become effective February 10, 2004. The Co-Op did not receive this notice until February 16, 2004. (Copy attached hereto as Attachment "A"). All required conditions precedent set by the PSC, including customer noticing, must be met in order for interim rates to become effective. E.g. Order to Cease and Desist the Charging of Temporary Rates, to Show Cause, and to Correct Prior Commission Order, Order No. 24961, issued: 8/22/91, In re: Application for a staff assisted rate case by Pine Island Utility Corporation, Docket No. 910276-WS (91 FPSC 8:444). The interim rates in this docket should not become effective any earlier than all customers receive notice, which at the earliest would have been February 16, 2004. This lack of prior notice is incomprehensible to the residents, especially because of the great increase in rates. The Co-Op requests that the Commission grant its request for emergency rate relief and order that the Utility credit the customers' accounts such that the rates for the residential lots

not become effective until all customers' had received notice, that is, February 16, 2004. Separate relief is being requested with regard to the interim rates affecting the R.V. Resort.

The Co-op's Motion for Reconsideration Should be Granted

5. The purpose of a motion for reconsideration is to point out some matter of law or fact which the Commission failed to consider or overlooked in its prior decisions. Diamond Cab Co. of Miami v. King, 146 So. 2d 889 (Fla. 1962); Pingree v. Quaintance, 394 So. 2d 161 (Fla. 1st DCA 1981). Mistakes of fact, facts which the Commission failed to consider or overlooked, require that the Commission reconsider and reexamine the interim rates which were set for the R.V. Resort. The Co-Op believes that the lack of customer involvement in reviewing information due to lack of notice of this rate proceeding contributed to unjust and incorrect interim rates being set as to the R.V. Resort. The Order Approving Interim Rates states that the Utility "provides service" to "274 lots in Forest Lake R.V. Resort." The Commission is apparently under the mistaken belief that each individual R.V. lot owner is directly responsible for payment to the Utility of the newly increased interim rates. This is not correct. A full understanding of the facts should result in interim rates for the R.V. Resort being reset and suspended until December 1, 2004.

6. The Co-Op is a bulk service customer which receives one monthly, flat rate bill from the Utility. Prior to interim rates becoming effective, this amount was a combined \$10.00 per month per lot in the form of one flat rate bill to the Co-Op of \$2,740. The Co-Op in turn collects utilities charges from the RV tenants based upon either an annual lease or a shorter term lease. Of the 274 lots, 11 are occupied by tenants

who live there year round pursuant to an annual lease. The utilities are included in the lease amount, and the Co-Op will not be able to adjust the rent amount until these leases are renewed on November 1, 2004. The remaining 263 lots are for the most part occupied only from either late November into late December through late the following March into late April. From sometime in April until sometime in November of each year, the R.V. Resort is virtually vacant except for the 11 year round occupants: occupancy is at about 3 – 5%. This means that under the interim rates set by the Commission and already placed into effect, the Co-Op's bill has increased from \$2,740 a month to \$7,145.92 a month, with no advance notice, and no adequate revenue stream to pay for the increase. This is highly unjust. Had there been any level of notice to the customers of a pending rate case, the Co-Op believes that the Commission would have learned these facts and would not have increased the Co-Op's bulk service bill in this manner.

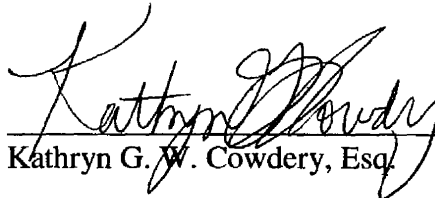
7. Due to what appears to the Co-Op to be significant oversight or lack of facts regarding the billing to the RV Resort, the Co-Op requests that the Commission reconsider its Order Approving Interim Rates and modify the interim rates to the Co-Op so that interim rates are not effective until December 1, 2004, at which time the Co-Op will be able to structure leases to account for the change in water and wastewater bill per lot from \$10.00 to \$26.08, and park occupancy will increase from its usual seasonal 3 – 5%. This will give the Co-Op the opportunity to structure all leases to allow it to collect revenues to pay its monthly bulk service bill to the Utility on a going forward basis.

WHEREFORE, the Co-Op respectfully requests that the Commission:

1. Grant its Motion to Intervene in this docket;

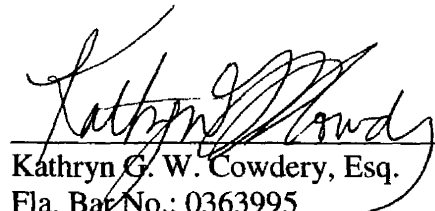
2. Grant its Motion for Reconsideration of the Order Approving Interim Rates such that said rates are not applied to the R.V. Resort until December 1, 2004;
3. Grant its Request for Emergency Rate Relief such that the interim rates are not applied to the residential customers until February 16, 2004; and
4. Grant such other relief as the Commission deems appropriate, including any appropriate changes to the interim rates or rate design.

Respectfully submitted this 9th day of March 2004.


Kathryn G. W. Cowdery, Esq.

CERTIFICATE OF SERVICE

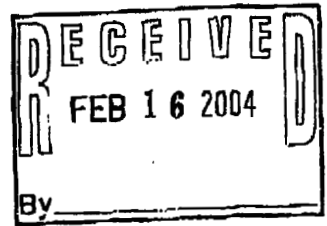
I HEREBY CERTIFY that a true and correct copy of the Motion to Intervene and Motion for Reconsideration and Request for Emergency Relief of Forest Lake Estates Co-Op, Inc., has been delivered by hand delivery to Cochran Keating, Office of the General Counsel, Gunter Building, Room 301D, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and Steve Reilly, Associate Public Counsel, Office of Public Counsel, c/o The Florida Legislature, Claude Pepper Building, Room 812, 111 W. Madison Street Tallahassee, Florida 32399-1400, and by regular U.S. Mail to Martin S. Friedman, Rose, Sundstrom & Bentley, LLP, 600 S. North Lake Boulevard, Suite 160, Altamonte Springs, Florida 32701, this 9th day of March, 2004.


Kathryn G. W. Cowdery, Esq.
Fla. Bar No.: 0363995
Ruden McClosky
215 South Monroe Street
Suite 815
Tallahassee, Florida 32301
(850) 412-2000
Attorneys for Forest Lake Estates Coop, Inc.

*To: KATHRYN COWDERY
#850-42-2020
FROM: FOREST LAKE ESTATES
RS 2/18/04*

Notice of Interim Rate Increase

Labrador Utilities, Inc.
PSC Docket No.: 030443-WS



On February 3, 2004, the Florida Public Service Commission approved interim water and wastewater rates for Labrador Utilities, Inc. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will include interest based upon the Commission determined factors. The Utility is currently scheduled to file its final rate proposal by June 30, 2004. A customer notice will be mailed within 50 days of the official date of filing which will provide the proposed final rates and other details about the case.

A listing of the approved interim rates on a monthly basis is set forth below:

WATER

	<u>Previously Approved</u>	<u>Currently Approved Interim</u>
<u>Residential</u>		
Basic Facility Charge: Flat Rates		
Mobile Home Park, per lot	\$ 4.50	\$ 16.33
R.V. Resort, per lot	\$ 3.00	\$ 10.89

*Comments
Public Service
Commission FILE
2/18/04*

WASTEWATER

	<u>Previously Approved</u>	<u>Currently Approved Interim</u>
<u>Residential</u>		
Base Facility Charge: Flat Rate		
Mobile Home Park, per lot	\$ 10.50	\$ 22.79
R.V. Resort, per lot	\$ 7.00	\$ 15.19

Written comments regarding the Utility's service or the final rate proposal, after notice of such proposal has been provided, may be sent to the Commission at the following address:

Director, Division of Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

All comments should refer to Docket No. 030443-WS which is the docket number that has been assigned to this case.

The interim rates will be effective February 10, 2004. The prorated increase for February is included in the current bill. If you have any questions, please call the Utility's office at (407) 869-1919. Be sure to have your account number on hand for quick reference.

Labrador Utilities, Inc.

