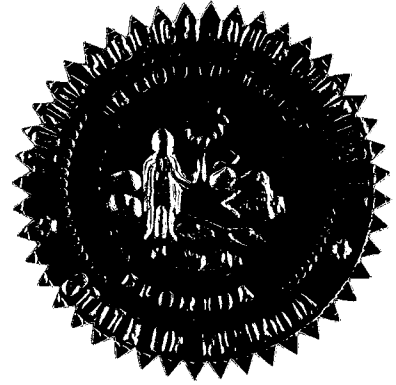


BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 060057-WS

INVESTIGATION INTO WHETHER LINDRICK  
SERVICE CORPORATION SHOULD BE ORDERED  
TO SHOW CAUSE AS TO WHY IT SHOULD NOT  
BE FINED FOR ITS APPARENT VIOLATIONS  
OF RULES 25-30.250, 25-30.251, 25-30.130,  
AND 25-22.032, FLORIDA ADMINISTRATIVE CODE,  
AND THE REQUIREMENTS OF ORDER NO.  
PSC-99-1883-PAA-SU, ISSUED SEPTEMBER 21,  
1999, IN DOCKET NO. 980242-SU.



ELECTRONIC VERSIONS OF THIS TRANSCRIPT ARE  
A CONVENIENCE COPY ONLY AND ARE NOT  
THE OFFICIAL TRANSCRIPT OF THE HEARING,  
THE .PDF VERSION INCLUDES PREFILED TESTIMONY.

PROCEEDINGS:                   AGENDA CONFERENCE  
ITEM NO. 9

BEFORE:                         CHAIRMAN LISA POLAK EDGAR  
COMMISSIONER J. TERRY DEASON  
COMMISSIONER ISILIO ARRIAGA  
COMMISSIONER MATTHEW M. CARTER, II  
COMMISSIONER KATRINA J. TEW

DATE:                            Thursday, April 4, 2006

PLACE:                          Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida

REPORTED BY:                  LINDA BOLES, RPR, CRR  
Official FPSC Reporter  
(850) 413-6734

1 PARTICIPATING:

2 BRUCE MAY, ESQUIRE, representing Lindrick Service  
3 Corporation.

4 STEVE REILLY, ESQUIRE, representing the Office of  
5 Public Counsel.

6 RALPH JAEGER, ESQUIRE, representing the Florida  
7 Public Service Commission Staff.

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

## P R O C E E D I N G S

\* \* \* \* \*

CHAIRMAN EDGAR: Commissioners, that will bring us to  
Item 9.

MR. JAEGER: Commissioners, Ralph Jaeger, legal  
staff. Item 9 is staff's recommendation on its investigation  
into whether Lindrick Service Corporation appeared to violate  
any rules, statutes or orders of this Commission.

I believe Steve Reilly of the Office of Public  
Counsel and Mr. Bruce May representing the utility have reached  
an agreement and are here to address the Commission on this  
item.

MR. MAY: Madam Chair, Commissioners, my name is  
Bruce May. I'm with the law firm of Holland & Knight,  
P. O. Drawer 810, Tallahassee, Florida, appearing on behalf of  
Lindrick Service Corporation, a water utility that experienced  
a water outage in June of last year. Since that time, the  
utility, my client, has expended significant money, resources  
and time to address the issues associated with that water  
outage.

Specifically, Lindrick has been working with your  
staff, with the Office of Public Counsel, Mr. Reilly, Senator  
Fasano's aide, Representative Legg's aide to update the  
company's formal procedures for responding to these kind of  
outages and notifying customers and notifying affected

1 regulatory agencies, including the Commission, DEP and others.

2           The formal procedures that my client adopted are  
3 summarized on Pages 6 and 7 of the recommendation. Yesterday,  
4 Mr. Reilly and I had a series of conversations. He had  
5 expressed some concern that his reading of staff's  
6 recommendation did not obligate my client to follow through  
7 with those formal notification procedures and continue with the  
8 remedial actions that it had already adopted and implemented.  
9 And that's why I'm here today certainly in support of staff's  
10 recommendation, but also to confirm and clarify that Lindrick  
11 Services has implemented these formal procedures to address the  
12 concerns of OPC and your staff and Representative Fasano --  
13 Representative Legg's and Senator Fasano's aides.

14           Specifically, Lindrick has adopted first a formal  
15 procedure for repairs and notification in the event of a water  
16 outage. Second, it's adopted and implemented a form for  
17 recording and tracking major outage incidents. It's also  
18 adopted a formal water outage notification list and protocol to  
19 ensure that the appropriate customers and the appropriate  
20 regulatory agencies, fire departments, et cetera, are notified  
21 in these events. And, finally, the company has adopted a  
22 complaint resolution survey where every customer that files a  
23 complaint either with the utility or with the Commission is  
24 followed up on and surveyed, and we believe that will go a long  
25 way in addressing some of the concerns with respect to customer

1 complaints.

2           Finally, the company is in the process of updating  
3 and improving its customer service and billing software to  
4 allow it to specifically track customer complaints either filed  
5 with it by customers or forwarded to it by the Commission  
6 staff.

7           In addition to the foregoing, as I indicated, the  
8 company has expended significant money. It's retained a water  
9 operator now to improve its testing as well as improve its  
10 reporting requirements with the DEP. And, finally, it's  
11 improved its communication system, it's added phone lines, and  
12 it now has a direct email communication with the, with the PSC  
13 staff and on Tuesdays receives a specific list of complaints  
14 out of its open or closed so it again can track those  
15 complaints and be responsive. I'm here to answer any questions  
16 and provide any information I can. Again, we support staff's  
17 recommendation.

18           CHAIRMAN EDGAR: Mr. Reilly.

19           MR. REILLY: We also support staff's recommendation  
20 on a reduced fine. I think total fines is like \$500. Our  
21 concern was that the fine could just be paid, the show cause  
22 would go away, and there was no real follow-up to expressly  
23 incorporate these final forms and an order requiring them to go  
24 ahead and follow those forms in the new procedures. So I think  
25 if we can just clarify this recommendation to say that the,

1 that the Commission is, is actually incorporating these four  
2 specific forms that have been worked out between the parties  
3 and that the order also acknowledges and orders the company to  
4 follow those forms in processing its outages, its complaints,  
5 that then if in the future they don't follow their forms, it  
6 would be an enforcement action that everyone could look at both  
7 as a violation of potential PSC rules as well as a violation of  
8 the order that required them to follow these. So it just  
9 brings to closure the whole matter properly rather than just  
10 leaving it loose ended as it was worded originally.

11 So we, we propose, and I think both the company and  
12 OPC proposes that the staff's recommendation be adopted with --  
13 but add to that recommendation the expressed incorporation of  
14 these forms in an order by the Commission that these forms be  
15 utilized in the new procedures.

16 CHAIRMAN EDGAR: Mr. Jaeger?

17 MR. JAEGER: Commissioner, that's great with staff.  
18 We encouraged this dialogue and we were glad to hear it.

19 COMMISSIONER DEASON: A question.

20 CHAIRMAN EDGAR: Commissioner Deason.

21 COMMISSIONER DEASON: And this can be incorporated  
22 into the order as suggested?

23 MR. JAEGER: Yes, it can be.

24 CHAIRMAN EDGAR: Commissioners, any questions for our  
25 staff or for the parties? No questions?

1 COMMISSIONER DEASON: Madam Chairman.

2 CHAIRMAN EDGAR: Okay. Commissioner Deason.

3 COMMISSIONER DEASON: If there are no questions, I  
4 can move staff's recommendation with the inclusion in the order  
5 of the forms that are to be followed.

6 COMMISSIONER CARTER: Second.

7 CHAIRMAN EDGAR: I have a motion and a second. All  
8 in favor of the motion, say aye.

9 (Unanimous affirmative vote.)

10 CHAIRMAN EDGAR: Show Item 9 approved. Thank you.

11 (Agenda Item 9 concluded.)

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 STATE OF FLORIDA        )  
                              :  
2 COUNTY OF LEON         )                    CERTIFICATE OF REPORTER

3

4                    I, LINDA BOLES, RPR, CRR, Official Commission  
5 Reporter, do hereby certify that the foregoing proceeding was  
6 heard at the time and place herein stated.


7                    IT IS FURTHER CERTIFIED that I stenographically  
8 reported the said proceedings; that the same has been  
9 transcribed under my direct supervision; and that this  
10 transcript constitutes a true transcription of my notes of said  
11 proceedings.

12                    I FURTHER CERTIFY that I am not a relative, employee,  
13 attorney or counsel of any of the parties, nor am I a relative  
14 or employee of any of the parties' attorneys or counsel  
15 connected with the action, nor am I financially interested in  
16 the action.

17                    DATED THIS 12TH DAY OF APRIL, 2006.

18

19

20                      
21                    LINDA BOLES, RPR, CRR  
22                    FPSC Official Commission Reporter  
23                    (850) 413-6734

24

25

26

27

28

29

30

31

32

33