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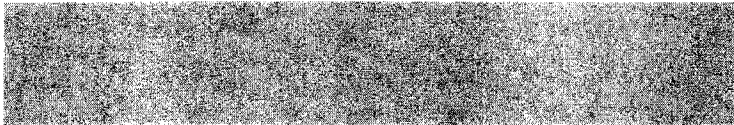
Memorandum

To: Kimberley Peña
 CC:
 From: Carmen Peña *C. Peña*
 Date: 11/1/2006
 Re: Case 697336W-Leon Hart

RECEIVED FPSC
 06 NOV - 1 AM 11:31
 COMMISSION
 CLERK

Please place the copy of case 697336W belonging to Leon Hart in Docket file No. 060256-SU.
 (Alafaya Utilities, Inc.)

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC 1
- OTH _____



DOCUMENT NUMBER-DATE¹
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 FPSC-COMMISSION CLERK

Request No. 697336W

Name LEON HART

Business Name

Consumer Information

Name: LEON HART

Business Name:

Svc Address: 2808 RUSTIC OAK PLACE

Phone: (407)-977-9442

Can Be Reached: (407)-509-2011

City/Zip: Chuluota / 32766-

Date Transferred to BCO: 09/27/2006

Date Received by BCO: 09/27/2006

Suspense Date: 11/03/2006

Utility Information

Company Code: SU445

Company: ALAFAYA UTILITIES, INC.

Attn. Karen Sasic697336W

Sent to Agenda:

Conf. Agenda Date: / /

Form X Date Sent: / /

Form X Date Due: / /

Form X Received Late:

Review Settlement Deadline: / /

Review Analyst: CARMEN PENA

Pre. Conf. Sett. Amount: 0.00

Pre. Conf. Settlement: N

Informal Conference Deadline: / /

Informal Conf. Sch.: Conference Analyst:

Date of Informal Conference: / /

Informal Conf. Sett. Amount: 0.00 Informal Conf. Settlement:

Informal Conf. Resolve: Y Conf. Closed Date: / /

Post Conf. Sett. Amount: 0.00

Post Conf. Settlement:

**Florida Public Service
Commission - Consumer Request
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
850-413-6100**

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Preclose type - Quality of Service

Customer Comments: Customer states that Alafaya Utility isn't providing reclaimed water to over 1000 residence in the area. Customer states that the company isn't issuing credits as well. Customer state that the residents are using drinking water to water the lawn and that the company makes money on the use of drinking water as well in the form a sewage charge. Customer is requesting that the FPSC force Alafaya to provide the less expensive irrigation water to lower the cost of residential water and sewage bills. Customer is very frustrated and is asking for assistance in this matter. Customer state that he has called the company many times and the home owners associations in the area have tried to do something about the problem as well. Customer states that as it stands, thousands of residents are paying for a service that they aren't getting.

Per Consumer Complaint Rule 25-22.032, please use the following procedures when responding to PSC complaints.

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1. Complaint resolution should be provided to the customer via direct contact with the customer, either verbally or in writing within 15 working days after the complaint has been sent to the company.
2. A response to the PSC is due by 5:00 p.m. Eastern time, of the 15th working days after the complaint has been sent to the company.
3. The response should include the following:
 - a) the cause of the problem
 - b) actions taken to resolve the customer's complaint
 - c) the company's proposed resolution to the complaint
 - d) answers to any questions raised by staff in the complaint
 - e) confirmation the company has made direct contact with the customer
4. Send your written response to the PSC, and copies of all correspondence with the customer to the following e-mail, fax, or physical addresses:
E-Mail - pscreply@psc.state.fl.us
Fax - 850-413-7168
Mail - 2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
Case taken by P. Walker

05/22/2006 Report received via fax. /EEstelle

05/30/2006 Received by G. Ortiz: Customer called back and he states that he disagree to the respond from Alafaya.

06-05-06 Customer states that he was supposed to get a call back from Kaullis within 24 hours last week according to the person that took his call. Customer states that the reason he objected to the ALAFAYA Utility Inc. resolution is that, ALAFAYA Utility Inc. hasn't made any provisions to enforce usage guidelines in the letter mailed to home owners on April 3rd. Customer states that in addition, that ALAFAYA Utility Inc. is continuing to collect a flat rate usage fee for service that they are not providing, additionally, ALAFAYA Utility Inc. is collecting sewage fees for potable water. Customer states that they are charging for service that home owners aren't getting and then charging for the potable drinking water as sewage since they can't get the reused water. PW

06/05/2006 Reviewed report. Alafaya reports the following:
Due to recent dry weather patterns experienced in Central Florida, it has experienced difficulty in sustaining the reclaimed water demand for purposes of landscape irrigation. The company's supply of reclaimed water is limited to the amount of wastewater flow treated at its wastewater plant. Alafaya indicates that it has imposed a watering schedule with reuse watering restrictions using the St. Johns River Water Management guidelines for potable water usage. The company is billing a flat rate of \$6.93 for the service. kmarshall

June 6, 2006 -- I contacted Mr. Hart. The customer was advised of the findings and disagrees that the company should be allowed to bill a flat rate for a service it is unable to provide. kmarshall

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Request No. 697336W Name LEON HART Business Name _____

Additionally, Mr. Hart indicates that on the days he is to water (Wednesday and Saturday) he unable to do so because of low pressure or no pressure. The customer acknowledges that the company made recommendations but fell to ensure that everyone is using the schedule. He feels that the company is not enforcing the watering schedule by valving off the communities that are watering outside of the watering guidelines. Mr. Hart feels that he should not have to pay a flat rate when the company is not able to provide the service. kmarshall

06/08/2006 ATTENTION COMPANY: THIS IS A REQUEST FOR A SUPPLEMENTAL REPORT.

1. The customer indicates that he is unable to water on his scheduled days due to low or no pressure. He believes this is due to other communities watering outside of there scheduled day(s). Please advise if Alafaya has measures in place to ensure that everyone adheres to the schedule.
2. Follow up with the customer.
3. Provide a report to the PSC by June 19, 2006. kmarshall

06/19/2006 Report received via fax. /EEstelle

06/19/2006 Reviewed report. The company reported the following:

" During the recent dry Weather pattern experienced in the Central Florida area, Alafaya Utilities, Inc. has experienced difficulty in sustaining the reclaimed water demand for purposes of landscape irrigation.

" The Utility's supply of reclaimed water is limited to the amount of wastewater flow treated at the Alafaya Wastewater Treatment Plant each day.

" This has resulted in periods of very low to no water pressure throughout the service area due to customers watering at all hours of the day and night on most days of the week.

" In order to address this issue, the Utility imposed reuse watering restrictions using the St. Johns River Water Management District guidelines for potable water usage.

" Alafaya, being a privately owned and operated utility is not empowered with any enforcement capabilities other than shutting down the system or portions thereof to those residents that should not be watering.

" As previously reported, the utility has altered the watering schedule to more evenly distribute the peak demand.

" Even with this in place, the reuse available for distribution is directly related to the amount of raw sewage that enters the plant for treatment on a daily basis.

" Alafaya is making efforts to maximize the volume of reclaimed water within its means. There is not an unlimited supply of reclaimed water available.

" The Utility makes no claim that the supply is or should be delivered without limits or restrictions.

" The Utility provides reclaimed water and as stated in the approved tariff, is permitted to charge a flat rate for this service. kmarshall

9/26/2006 I contacted Mr. Hart. The customer states that he continues to experience the no or low water pressure with the irrigation system. The customer states that it is not fair that customer's are billed at a flat rate for service it can not receive. The customer is seeking further recourse. The customer was advised that the case will be forwarded for further review. kmarshall

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9/26/2006 Additionally, the customer feels that the Utility is not turning the valves off to other communities (not scheduled to water) to insure water availability/ supply to customer's scheduled to water on a particular day. kmarshall

09/27/06: Delivered case file to Process Review. RRoland

***** PROCESS REVIEW TEAM STATUS *****

September 27, 2006: This case had been assigned to the Process Review Team. The case is open.

FAXED TO THE COMPANY: THE CUSTOMER'S CASE HAS BEEN REASSIGNED TO THE PROCESS REVIEW TEAM. PLEASE DO NOT TAKE COLLECTION ACTION ON THE CUSTOMER'S ACCOUNT FOR ANY DISPUTED AMOUNT, IF APPLICABLE, REGARDING THE CASE, PENDING THE OUTCOME OF THE PROCESS REVIEW. A member of the PSC's Process Review Group will be following up with the company regarding this case. Margarita Valdez for Carmen Peña, Supervisor Process Review Group (BCR/RCA)

The assigned RCA staff in charge of reviewing this case is Margarita Valdez. Margarita Valdez for Carmen Peña - Supervisor Process Review Group (BCR/RCA)

September 28, 2006: I reviewed the case. The customer's number one concern is that the company is not providing reclaimed water to over 1000 residents in the area, and it should not be allowed to charge a flat rate for a service it is unable to provide.

The customer has also expressed the following concerns:

- 1) The days he is to water (Wednesdays and Saturdays) he is unable to do so because of low pressure or no pressure. He feels the company is not enforcing the watering schedule turning the valves off to other communities not scheduled to water, to ensure water availability and supply to customers scheduled to water on a particular day.
- 2) The residents are using drinking water to water the lawn, and the company makes money on the use of drinking water as well as in the form of sewage charge.
- 3) He requests the PSC to force Alafaya Utilities to provide the less expensive irrigation water to lower the cost of residential water and sewage bills.

The company's May 22, 2006, report states that:

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- 1) Due to dry weather patterns experienced in Central Florida, the company has experienced difficulty in sustaining the reclaimed water demand for purposes of landscape irrigation. The water shortage is not unique to Alafaya Utilities only, but rather to all utilities in the Central Florida area due to the drought conditions experienced in the region.
- 2) The company has imposed reuse watering restrictions using the St. Johns River Water Management District guidelines for

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for potable water usage. A letter was sent to all reuse customers with a schedule outlining the days and times each neighborhood and individual homeowner may irrigate (no watering from 10 a.m. to 4 p.m.). These measures were taken to ensure that every resident has the opportunity to utilize reclaimed water for their irrigation needs, and to give enough time to the Wastewater Treatment Plant during the day to replenish the supply in the tanks before the pumps are turned back on and the residents begin watering in the evenings.

3) The approved rate schedule by the PSC defines the applicability of irrigation quality water service for residential applications as "to the extent of its capacity and wastewater flows, the Utility shall provide irrigation quality water using treated wastewater effluent". The Utility is permitted to charge a flat rate for this service and no refund of these charges will be made.

4) On the invoice dated April 25, 2006, Mr. Hart failed to pay the flat reuse rate of \$6.93. The company noted that this amount was past due. MValdez

September 29, 2006: I attempted to contact Karen Sasic, of Alafaya Utilities, to get an update on this account. I left a message on her voice mail requesting a return call. MValdez

October 3, 2006: I attempted to contact Karen Sasic, of Alafaya Utilities, and found a message indicating that she would be out of the office from October 2 through October 9. I left her a message requesting a return call.

I met with my supervisor to discuss some of my concerns regarding this case, and its further handling. MValdez

October 3, 2006: Due to the complexity of this case, I will be addressing the consumer's concerns Carmen Peña - Supervisor Process Review Group (BCR/RCA)

October 4, 2005: A review of the case indicates that the consumer is protesting the following:

- (1) The utility is not providing reclaimed water to over 1,000 residences.
- (2) Consumers are using drinking water to water their lawns.
- (3) Billing has been done for the reclaimed water by the company, but the consumers are paying for a service they are not getting.
- (4) The consumer's relief sought is to have the PSC force the utility to provide less expensive irrigation water to offset the cost of regular water to the residences. Carmen Peña - Supervisor Process Review Group (BCR/RCA)

October 5 2006: Information is being gathered in regards to this case. We have obtained the following:

- (1) The Wastewater Tariff - Irrigation Quality Water Service-General Service (Rate Schedule)

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(2) The wastewater Tariff - Irrigation Quality Water Service- Residential (Rate Schedule)

(3) A copy of the letter Alafaya Utilities, Inc. forwarded the PSC in regards to the reclaimed water system dated May 22, 2006.

(4) A copy of the letter Alafaya Utilities, Inc. forwarded to all its customers in regards to the dry weather pattern it has experienced and its difficulty in sustaining the reclaimed water demand for purposes of landscape irrigation, dated April 3, 2006.

(5) A copy of Docket No. 020408-SU; Order No. PSC-04-0363-PAA-SU, in re: Application for rate increase in Seminole County By Alafaya Utilities, Inc. (FPSC - Issued on April 5, 2004).

The above documents will be reviewed to address the concerns of the consumer. Carmen Peña - Supervisor Process Review Group (BCR/RCA)

October 30, 2006: A letter will be forwarded to the consumer via certified and regular mail informing him of the following:

(1) A docket has been opened to address the rate case of the company.

The docket number is 060256-SU.

(2) There will be a customer meeting held on November 15, 2006, beginning at 6:00 p.m.

In this meeting the consumers can be able to make their statements about the rate case and discuss the quality of service.

The meeting will be held at the following address:

City of Oviedo - City Hall Building
City Commission Chamber
400 Alexandria Blvd.
Oviedo, Florida 32765

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A copy of the Legislative Bulletin for November 2006 has been attached to the letter. A copy has been placed in the case file.

As soon as the "Special Report" for the customer meeting is printed, we will follow-up with a copy to the consumer.

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Business Name

A copy of the case will be forwarded to CCA to be placed in Docket file number 060256-SU. Carmen Peña - Supervisor Process Review Group (BCR/RCA)

November 1, 2006: A cover letter has been forwarded to the consumer with the "Special Report" and a "Reuse Information Sheet". Copies of the documents have been placed in the case file. A copy of the case file has been forwarded to CCA to be placed in Docket file number 060256-SU. Carmen Peña - Supervisor Process Review Group (BCR/RCA)

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Name LEON HART

Business Name _____

PAGE NO: 7

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

STATE OF FLORIDA



DIVISION OF REGULATORY
COMPLIANCE AND CONSUMER
ASSISTANCE
DANIEL M. HOPPE, DIRECTOR
(850) 413-6480

Public Service Commission

November 1, 2006

Docket No. 060256-SU

Mr. Leon Hart
2808 Rustic Oak Blvd.
Chuluota, FL 32766

Re: FPSC Inquiry No. 697336W

Dear Mr. Hart:

The purpose of this letter is to send you on the Special Report for Alafaya Utilities, Inc.

As we mentioned in our letter of October 30, 2006, you may send in your comments by filling out the last pages of the Special Report. We have also attached a Reuse Information Sheet for you, I hope you find this information informative.

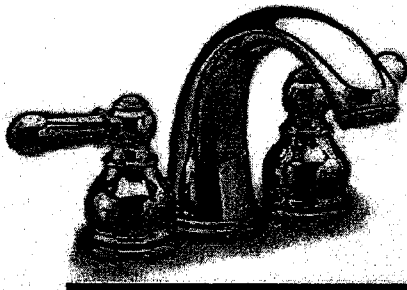
Sincerely,

A handwritten signature in cursive script that reads "C. Peña".

Carmen Peña
Regulatory Program Administrator

Attachments (2)

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Florida Public Service Commission

SPECIAL REPORT

NOVEMBER 2006

Application for a Rate Increase in Seminole County by **Alafaya Utilities, Inc.**

DOCKET NO. 060256-SU

Alafaya Utilities, Inc. (Alafaya or utility) is a wastewater utility serving approximately 8,482 customers in Seminole County. The utility recently filed an application for approval of interim and permanent rate increases. Since Alafaya's last rate proceeding in 2002, the utility has significantly upgraded its utility plant and equipment.

In order to recover operating costs and provide the opportunity to earn a fair rate of return, Alafaya requested a 21.62% interim wastewater revenue increase. On July 18, 2006, the Public Service Commission (Commission) approved a lower interim wastewater revenue increase of 18.86%.

Alafaya also requested a permanent revenue increase of 44.94% (\$1,284,377) for its wastewater system. The Commission suspended the final rates in order to further investigate the utility's request. When the final rates are established, customers may see a refund if the final revenue requirement is less than the approved interim amount.

As part of the process of evaluating Alafaya's rate request, the Commission staff is conducting a customer service meeting to allow customers the opportunity to express their concerns about the utility and the requested rate increase. Customer comments, written and oral, are taken into consideration to assist the Commission in reaching its decision.

Additionally, the Commission staff will audit the utility's records for compliance with applicable rules and orders. A Commission staff engineer will also conduct a field investigation of the Alafaya plant and service area. In accordance with Florida Statutes, the Commission will consider the utility's quality of service and other matters in this case.

This rate case is being processed under the Commission's "Proposed Agency Action" (PAA) procedure. The Commission staff is scheduled to make a recommendation on the final rates to the Commission on January 10, 2007, and the Commissioners are expected to vote on the matter at the January 23, 2007, Agenda Conference. Under the PAA process, the case will only be set for a formal hearing if a timely protest to the Commission's proposed agency action is filed.

Customer Meeting

Wednesday, November 15, 2006

8:00 a.m.

City of Oviedo City Hall

City Commission Chambers

400 Alexandria Blvd

Oviedo, FL 32765

For more information:

For technical questions:

Barb Fletcher (850) 413-7017

Troy Rendell (850) 413-6934

For legal questions:

Ralph Jaeger (850) 413-6234

For general questions, contact:

Dick Durbin (850) 413-6124

Or call toll-free 1-800-342-3552

(1-800-511-0809 to fax)

E-mail: contact@psc.state.fl.us

Internet Home Page: www.floridapsc.com

Case 69792111 - Nant

ORIGINAL

P S C C O M M I S S I O N E R S



COMMISSIONER
Matthew M. Carter II



COMMISSIONER
J. Terry Deason



CHAIRMAN
Lisa Polak Edgar



COMMISSIONER
Isilio Arriaga



COMMISSIONER
Katrina J. Tew

Lisa Polak Edgar was appointed to the Florida Public Service Commission by Governor Jeb Bush for a four-year term beginning January 2005; she assumed the chairmanship at the PSC in January 2006. Chairman Edgar is a member of the National Association of Regulatory Utility Commissioners telecommunications committee and was appointed by the Federal Communications Commission to the Universal Service Joint Board for a three-year term beginning November 2005. Prior to her appointment, Chairman Edgar served as Deputy Secretary for Planning and Management for the Florida Department of Environmental Protection (DEP) from August 1999 through January 2005. Her responsibilities at DEP included oversight of the agency's \$2.1 billion budget, fiscal and strategic planning, accountability measures, information technology, administrative services, and coordination between the state and federal government on environmental issues, including oil and gas drilling on the Outer Continental Shelf. Prior to serving at DEP, Chairman Edgar was chief analyst on Environmental Policy for the Office of Policy and Budget, Executive Office of the Governor. Chairman Edgar was appointed by the Secretary of the U.S. Department of Interior to represent the State of Florida on the Minerals Management Service Outer Continental Shelf (OCS) Policy Committee from 1993-2004. She served on the Subcommittees on Environmental Studies in OCS Areas under Moratoria and OCS Hard Minerals. During her career in public service, Chairman Edgar has also served as senior cabinet aide in the Department of Agriculture and Consumer Services, as staff counsel and legislative analyst for the Florida Senate Committees on Reapportionment and Regulated Industries, completed the Harvard Kennedy School of Government program for Senior Executives in State and Local Government, and co-taught a special topics graduate course on the Everglades at Florida A&M University. She is a member of Leadership Florida, Class XXIV. Chairman Edgar graduated cum laude from Florida State University in 1985 with a Bachelor's degree in political science and minor in English. She studied in London during her undergraduate education and in Yugoslavia during law school. She received a juris doctorate from the Florida State University College of Law in 1988 and is a member of the Florida Bar.

J. Terry Deason was first appointed to the Commission by the Florida Public Service Commission Nominating Council in January 1991 for a term ending in January 1995. He was subsequently reappointed by the late Governor Lawton Chiles for a term ending in January 1999. Commissioner Deason was then reappointed by Governor Jeb Bush to a term ending in January 2003, and to his current term which ends in January 2007. Commissioner Deason has served as Chairman of the Commission on two occasions, from January 1993 to January 1995, and from July 2000 to January 2001. Commissioner Deason is an active member of the National Association of Regulatory Utility Commissioners (NARUC). He currently serves on NARUC's Board of Directors, Committee on Electricity, the Federal/State Joint Conference on Accounting, and the Federal/State Joint Board on Economic Dispatch for the Southern Region. Commissioner Deason also serves on the executive committee for the Nuclear Waste Strategy Coalition. Prior to his appointment, he served as Chief Regulatory Analyst in the Office of Public Counsel. In that capacity, he was responsible for the coordination of accounting and financial analysis used by the Public Counsel in cases before the Public Service Commission, presented testimony as an expert witness, and consulted with the Public Counsel on technical issues and ratemaking policies concerning regulated utilities in the State of Florida. From 1981 to 1987, Commissioner Deason served as Executive Assistant to PSC Commissioner Gerald L. Gunter, during which time he reviewed and analyzed staff recommendations and advised the Commissioner on those recommendations and other pertinent policy determinations. From 1977 to 1981, he served as a Legislative Analyst with the Office of Public Counsel. He attended the U.S. Military Academy at West Point, and in 1975 received his bachelor of science degree in accounting, summa cum laude, from Florida State University. He also received his master of accounting degree from FSU in 1989.

Isilio Arriaga was appointed to the Florida Public Service Commission by Governor Jeb Bush on October 6, 2005, to complete a term ending January 2007, then subsequently reappointed to a four-year term beginning January 2007. Prior to his appointment, Commissioner Arriaga was an independent management consultant for Ferrell Schultz Consulting, Inc. in Miami, Florida. Previously, he served as President and CEO of the Greater Miami Chamber of Commerce, where he continues as a Volunteer Trustee, and was active on the Board of Directors of the Venezuelan-American Chamber and the Council of Bi-National Chambers. Before his tenure with the Chamber, he was President and CEO of Hispanic Unity of Florida, a growing social services agency assisting over 30,000 clients in South Florida and whose mission is improving the quality of life and fostering leadership in the community. Arriaga served as a Congressman in the Republic of Venezuela from 1988 until 1993, where he co-sponsored the first Privatization Law in the nation and helped enact the Low Income Housing Appropriations legislation. During that time, he was a founding member of the World Economic Forum in Switzerland and was appointed to the committee created upon recommendation by the IMF for the purpose of reforming the financial system of Venezuela. His career in Venezuela began in the oil fields as a Junior Engineer for Shell Oil Co. He went on to create the Planning Office and Long Term Industrial Loans Department for Banco Union, where he served as General Manager for Investments. Following his public service and while residing in Texas, he formed an international consulting firm and worked with U.S. entities, promoting new business development as a strong advocate for U.S. enterprises in Latin America. He served as a consultant in Miami responsible for the reengineering process of a corporation which pioneered digital functions for ATM networks. Arriaga received a Master's degree in Industrial Engineering from New York University and holds a Bachelor's degree from Pratt Institute (NY). He has published numerous articles and essays on economics and was a syndicated columnist in Venezuela. He currently serves on the NARUC's Committee on International Relations and the Department of Energy/National Association of Regulatory Utility Commissioners Utilities Market Access Partnership (UMAP) Board of Directors.

Commissioner Matthew Mark Carter II was appointed to the Florida Public Service Commission by Governor Jeb Bush for a four-year term beginning January 2006. Currently, he serves on the National Association of Regulatory Utility Commissioners Committee on Water, the Committee on International Relations, and the Ad Hoc Committee on Critical Infrastructure. Commissioner Carter is the son of the late Rev. Matthew and Pearl Carter. He was born in Douglas, Georgia and educated in the public schools there. He graduated from Atkinson County High School (in Pearson). After graduation from high school, he volunteered for the United States Army. In the Army, he served in the Presidential Honor Guard in Washington, D.C. and the First Armored Division in Germany. After being honorably discharged from the Army, Commissioner Carter attended Tallahassee Community College where he graduated with honors. He then attended Florida State University and graduated with a Bachelor's of Science in Mass Communications and was commissioned a Second Lieutenant in the United States Army Reserve and later the Florida National Guard. After a tour of duty with the 124th Infantry in the Panama Canal Zone, Commissioner Carter returned to Tallahassee where he set up a public relations firm concentrating on political campaigns for over ten years. Afterward, he entered into the financial investment industry and worked as a financial consultant for Waddell & Reed, Florida Professional Services Group, and Merrill Lynch. Commissioner Carter left Merrill Lynch to complete law school at the Florida State University College of Law. After graduation, he became a member of the Florida Bar and a Minister of the Gospel of Jesus Christ. As an attorney, he specialized in business law. He also served as a communications consultant and senior manager for private industry and governmental agencies. Commissioner Carter obtained a Master's degree in Theological Science from Smith Chapel Bible College and was awarded an honorary Doctor of Divinity degree from the St. Thomas Christian College. Commissioner Carter is currently pastor of the Beulah Hill Missionary Baptist Church in Gretna, Florida, where he also serves as President of the Congress of Christian Education (Union Baptist Association) and Vice Moderator for the Gadsden County Baptist Association. He has also written the book *The 90% Rule - How to Get Out of Debt and Prosper and Why It's Important*. Commissioner Carter is married to the former Rita Taylor (of Enigma, Georgia) and they have two beautiful daughters: Pearl and Markesha.

Katrina Joanne Tew was appointed to the Florida Public Service Commission by Governor Jeb Bush for a four-year term beginning January 2006. Commissioner Tew serves on the NARUC Committee on Consumer Affairs, the Subcommittee on Nuclear Issues, and the Net Neutrality Task Force. Participation in these committees affords her the opportunity to engage in national policy issues that impact each of the industries regulated by the Commission, the state economy, and millions of Florida consumers. In the eleven years prior to appointment, Commissioner Tew developed extensive experience in regulatory policy issues involving energy, water, and telecommunications. From 2001 to 2005, Commissioner Tew served consecutive terms as Chief Advisor to Commissioners Palecki and Davidson, advising them on all Commission proceedings and policy matters. Prior to becoming a Chief Advisor, Commissioner Tew managed the State Liaison Section of the Commission's Division of Policy Analysis & Intergovernmental Liaison. Here, she consulted with state and local government agencies on issues such as "black water," reuse, universal service, and electric reliability. Before leading the State Liaison Section, Commissioner Tew served as the Commission's primary liaison on all nuclear energy matters for over three years. Additionally, she was instrumental in drafting the Commission's positions on electric industry restructuring. In recognition of her work on federal energy policy, Commissioner Tew was a recipient of the PSC Extraordinary Accomplishment Award in 1999 and the PSC Outstanding Achievement Award in 1997. A Northwest Florida native, Commissioner Tew received a Bachelor's degree in finance from Florida State University in 1994 and an MBA from FSU in 1998.

Consumer Statements at PSC Meetings

The Commission is interested in what consumers have to say about the application for a rate increase in Seminole County by Alafaya Utilities, Inc. The main purpose of the meeting is to receive comments from the public.

Anyone may make a statement, and speaking is an effective way to let the Commission know how you feel about the case under review. At the beginning of the meeting, procedures will be set up to establish an order for comments. PSC staff will have sign-up sheets that will be used to call consumers to speak. PSC staff will also be available to coordinate consumer comments and assist members of the public.

Any person who wishes to comment or provide information to the PSC staff regarding this matter may do so at the meeting, orally or in writing. Written comments also may be mailed to Florida Public Service Commission, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, or faxed to 1-800-511-0809. Correspondence will be placed in the file of this docket (Docket No. 060256-SU). For your convenience, a comment form is attached to this Special Report.

Any person who wishes to obtain a copy of the recommendation or the order may do so by writing to: Florida Public Service Commission, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, or by going on-line at www.floridapsc.com.

Florida Public Service Commission

2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

The Public Service Commission provides a staff of information specialists who are available to answer questions from Florida consumers.

To reach a consumer representative, please call the Public Service Commission during business hours at **1-800-342-3552**, or send a fax to 1-800-511-0809. See the PSC's Internet home page at www.floridapsc.com.

WASTEWATER SERVICE

	Rates Prior to Filing	Utility's Requested Interim Rates	Utility's Requested Final Rates
RESIDENTIAL			
Base Facility Charge All Meter Sizes:	\$ 16.69	\$ 20.30	\$ 24.19
Gallorage Charge - Per 1,000 gallons (10,000 gallon cap)	\$ 2.23	\$ 2.71	\$ 3.23
GENERAL SERVICE			
Base Facility Charge by Meter Size:			
5/8" x 3/4"	\$ 16.69	\$ 20.30	\$ 24.19
1"	\$ 41.73	\$ 50.75	\$ 60.48
1 1/2"	\$ 83.48	\$ 101.52	\$ 120.99
2"	\$ 133.56	\$ 162.43	\$ 193.58
3"	\$ 267.13	\$ 324.87	\$ 387.17
4"	\$ 417.38	\$ 507.60	\$ 604.94
Gallorage Charge - Per 1,000 gallons	\$ 2.65	\$ 3.22	\$ 3.84
REUSE IRRIGATION SERVICE			
Residential Flat Rate	\$ 6.93	\$ 8.43	\$ 10.04
Residential Availability Fee	\$ 5.78	\$ 7.03	\$ 8.38
General Service Gallorage Charge	\$ 0.29	\$ 0.35	\$ 0.42

TYPICAL RESIDENTIAL BILLS 5/8" X 3/4" METER

3,000 Gallons	\$ 23.38	\$ 28.43	\$ 33.88
5,000 Gallons	\$ 27.84	\$ 33.85	\$ 40.34
10,000 Gallons	\$ 38.99	\$ 47.40	\$ 56.49
(Wastewater Gallorage Cap - 10,000 Gallons)			

STAMP

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

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Tape

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ORIGINAL

Reuse Information Sheet

The Commission is aware that there have been some concerns over reuse. It is not an uncommon problem in Florida for reuse customers to use up all the reuse water during dry periods of time. Keep in mind the amount of wastewater treated and filtered limits the amount of reuse that is available. Staff had an informal meeting/telephone conference on Friday, June 23, 2006 to discuss actions to be taken in regards to improving the utility's provision of reuse. On July 31, 2006, Alafaya Utilities, Inc. (Alafaya or utility) provided details on how they plan to address reuse.

Alafaya's Planned Improvements

The utility added a 20 inch reuse main to parallel the existing 10 inch reuse main. The new 20 inch reuse main should improve the pressure. The utility has submitted plans to construct a 1.5 million gallon reuse storage tank along with high service pumping, allowing additional reuse to be stored. The utility has proposed to add four 4 inch augmentation wells capable of producing 99,000 gallons each for a total of 396,000 gallons per day. This will add to the amount of reuse available.

Planned In-Service Dates

20 inch reuse main	Completed - October 9, 2006
1.5 million gallon storage tank	Before June 1, 2007
Four 4" Augmentation Wells	12/31/06 if no CUP ¹ is required Unknown if a CUP is required

Reuse Used

Typically, it takes 4 wastewater customers to supply 1 reuse customer. The ratio for Alafaya is 6.1 wastewater customers for 1 reuse customer. During the 2005 test year, the residential and commercial reuse customers used 211 million gallons. The residential reuse customers alone used 205 million gallons in 2005. With about 800 residential reuse customers in 2005, this equals 21,000 gallons/month of reuse per customer.

¹ CUP – Consumptive Use Permit issued by the St. Johns River Water Management District

ORIGINAL

<u>Identification</u>	<u>Result</u>	<u>Pages</u>	<u>Type</u>	<u>Date</u>	<u>Time</u>	<u>Duration</u>	<u>Diagnostic</u>
614078696961	OK	04	Sent	Oct-31	01:32P	00:02:12	002582030022

1.3.0 2.8

*faxed follow-up
letter of
complaint
status to company -
Case 697336W*

ORIGINAL

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

STATE OF FLORIDA



DIVISION OF REGULATORY
COMPLIANCE AND CONSUMER
ASSISTANCE
DANIEL M. HOPPE, DIRECTOR
(850) 413-6480

Public Service Commission

FACSIMILE TRANSMITTAL COVER SHEET

RE: Inquiry No. 6973360

DATE: October 31, 2006
TO: Karen Sasic
UTILITY/BUSINESS: Alafaya Utilities
FAX NUMBER: 6-1-407-869-6961

CARMEN PEÑA
DIVISION OF REGULATORY COMPLIANCE
AND CONSUMER ASSISTANCE
BUREAU OF COMPLAINT RESOLUTION
FAX NUMBER (850) 413-6110

ORIGINAL

COMMENTS: Customer - Leon Hart
Letter to consumer updating
status of his complaint + attachment

C. Peña

NUMBER OF PAGES, INCLUDING THIS COVER SHEET: 4

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

STATE OF FLORIDA



DIVISION OF REGULATORY
COMPLIANCE AND CONSUMER
ASSISTANCE
DANIEL M. HOPPE, DIRECTOR
(850) 413-6480

Public Service Commission

October 31, 2006

Docket No. 060256-SU

Mr. Leon Hart
2808 Rustic Oak Blvd.
Chuluotta, FL 32766

Re: FPSC Inquiry No. 697336W

ORIGINAL

Dear Mr. Hart:

The purpose of this letter is to update you on the investigation into your complaint against Alafaya Utilities, Inc.

At this time, we have placed your complaint in the correspondence side of the above-referenced docket. You may follow the progress of this docket by visiting our website at <http://www.psc.state.fl.us>.

The commission will be holding a customer meeting to discuss Alafaya's request for a rate increase. You may wish to attend this meeting to discuss your quality of service concerns. The meeting will start at 6:00 p.m. at:

City Hall Building
City of Oviedo
City Commission Chamber
400 Alexandris Boulevard
Oviedo, FL

Once the Special Report for this hearing is completed, we will send a copy to you. It contains a page on which you can write your concerns and mail it to us for inclusion in the docket. This report will also be handed out at the customer meeting.

Sincerely,

Handwritten signature of Carmen Peña in cursive.

Carmen Peña
Regulatory Program Administrator

Attachment

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850

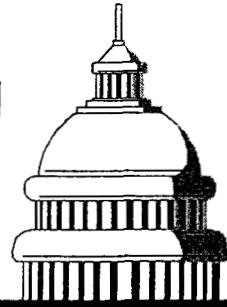
An Affirmative Action / Equal Opportunity Employer

PSC Website: <http://www.floridapsc.com>

Internet E-mail: contact@psc.state.fl.us

NOVEMBER 2006

FLORIDA PUBLIC SERVICE COMMISSION **BULLETIN**



PROVIDED TO GOVERNMENT OFFICIALS

Application for a Rate Increase in Seminole County by **Alafaya Utilities, Inc.**

DOCKET NO. 060256-SU

Alafaya Utilities, Inc. (Alafaya or utility) is a wastewater utility serving approximately 8,482 customers in Seminole County. The utility recently filed an application for approval of interim and permanent rate increases. Since Alafaya's last rate proceeding in 2003, the utility has significantly upgraded its utility plant and equipment.

In order to recover operating costs and provide the opportunity to earn a fair rate of return, Alafaya requested a 21.62% interim wastewater revenue increase. On July 18, 2006, the Public Service Commission (Commission) approved a lower interim wastewater revenue increase of 18.86%.

Alafaya also requested a permanent revenue increase of 44.94% (\$1,284,377) for its wastewater system. The Commission suspended the final rates in order to further investigate the utility's request. When the final rates are established, customers may see a refund if the final revenue requirement is less than the approved interim amount.

As part of the process of evaluating Alafaya's rate request, the Commission staff is conducting a customer service meeting to allow customers the opportunity to express their concerns about the utility and the requested rate increase. Customer comments, written and oral, are taken into consideration to assist the Commission in reaching its decision.

Additionally, the Commission staff will audit the utility's records for compliance with applicable rules and orders. A Commission staff engineer will also conduct a field investigation of the Alafaya

plant and service area. In accordance with Florida Statutes, the Commission will consider the utility's quality of service and other matters in this case.

This rate case is being processed under the Commission's "Proposed Agency Action" (PAA) procedure. The Commission staff is scheduled to make a recommendation on the final rates to the Commission on January 10, 2007, and the Commissioners are expected to vote on the matter at the January 23, 2007, Agenda Conference. Under the PAA process, the case will only be set for a formal hearing if a timely protest to the Commission's proposed agency action is filed.

Customer Meeting

Wednesday, November 15, 2006
6:00 pm
City of Oviedo City Hall
City Commission Chambers
400 Alexandria Blvd
Oviedo, FL 32765

For more information:

For technical questions:
Bart Fletcher (850) 413-7017
Troy Rendell (850) 413-6934
For legal questions:
Ralph Jaeger (850) 413-6234

ORIGINAL

CONSUMER ASSISTANCE

Application for a Rate Increase in Seminole County by

Alafaya Utilities, Inc.

DOCKET NO. 060256-SU

If a named storm or other disaster requires cancellation of the meeting, Commission staff will attempt to give timely direct notice to the parties. Notice of cancellation of the meeting will also be provided on the Commission's website (www.floridapsc.com) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Office of the General Counsel at 850-413-6199.

Any person who wishes to comment or provide information to the PSC staff regarding this matter may do so at the meeting, orally or in writing.

Written comments may also be sent to:
**Florida Public Service Commission
Division of the Commission Clerk and
Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

Correspondence will be placed in
the file of this docket.

You may also contact the Commission toll-free at:

1-800-342-3552 (voice)

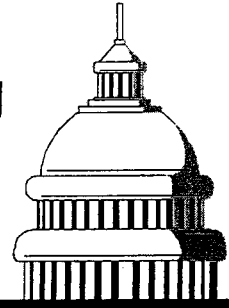
1-800-511-0809 (fax)

Internet E-mail: contact@psc.state.fl.us

Internet Home Page: www.floridapsc.com

NOVEMBER 2006

FLORIDA PUBLIC SERVICE COMMISSION **BULLETIN**



PROVIDED TO GOVERNMENT OFFICIALS

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DOCKET NO. 060256-SU

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Customer Meeting

Wednesday, November 15, 2006
6:00 p.m.
City of Oviedo City Hall
City Commission Chambers
400 Alexander Blvd.
Oviedo, FL 32765

For more information:

For technical questions:
Bart Fletcher (850) 413-7017
Troy Rendell (850) 413-6934
For legal questions:
Ralph Jaeger (850) 413-6234

Case - 697336W ORIGINAL

CONSUMER ASSISTANCE

Application for a Rate Increase in Seminole County by
Alafaya Utilities, Inc.

DOCKET NO. 060256-SU

If a named storm or other disaster requires cancellation of the meeting, Commission staff will attempt to give timely direct notice to the parties. Notice of cancellation of the meeting will also be provided on the Commission's website (www.floridapsc.com) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Office of the General Counsel at 850-413-6199.

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Written comments may also be sent to:
**Florida Public Service Commission
Division of the Commission Clerk and
Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

Correspondence will be placed in
the file of this docket.

You may also contact the Commission toll-free at:

1-800-342-3552 (voice)

1-800-511-0809 (fax)

Internet E-mail: contact@psc.state.fl.us

Internet Home Page: www.floridapsc.com

ORIGINAL

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

STATE OF FLORIDA



DIVISION OF REGULATORY
COMPLIANCE AND CONSUMER
ASSISTANCE
DANIEL M. HOPPE, DIRECTOR
(850) 413-6480

Public Service Commission

October 25, 2006

Mr. Leon Hart
2808 Rustic Oak Place
Chuluota, FL 32766

ORIGINAL

Re: FPSC Inquiry No. 697336W

Dear Mr. Hart:

The purpose of this letter is to update you on the investigation into your complaint against Alafaya Utilities, Inc.

At this time, we are still investigating your concerns. When our review is completed, you will be contacted by letter, which will explain the outcome of our investigation. In the meantime, if you have any questions or concerns, please contact me at (850) 413-6113, by fax at (850) 413-6114, or by e-mail at mvaldez@psc.state.fl.us.

Sincerely,

A handwritten signature in cursive script that reads "Margarita Valdez".

Margarita Valdez
Regulatory Specialist II
Process Review Group
BCR/RCA

HP OfficeJet
Personal Printer/Fax/Copier

Fax Log Report for
PSC
850 413 7112
Sep-27-06 12:06 PM

<u>Identification</u>	<u>Result</u>	<u>Pages</u>	<u>Type</u>	<u>Date</u>	<u>Time</u>	<u>Duration</u>	<u>Diagnostic</u>
614078696961	OK	05	Sent	Sep-27	12:04P	00:02:12	002582030022

1.3.0 2.8

Karen Davis
CO97386W
Leon Hart vs. Alabama Utilities, Inc.

ORIGINAL

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
LISA POLAK EDGAR

STATE OF FLORIDA



DIVISION OF REGULATORY
COMPLIANCE AND
CONSUMER ASSISTANCE
DANIEL HOPPE, DIRECTOR
(850) 413-6480

Public Service Commission
FACSIMILE TRANSMITTAL COVER SHEET

RE: Inquiry No. 6973366

DATE: Sept. 27, 2006

TO: Karon Basic

UTILITY/BUSINESS: Alapaya Utilities, Inc.

FAX NUMBER: 6-1-407-869-6961

CARMEN PEÑA
DIVISION OF REGULATORY COMPLIANCE
AND CONSUMER ASSISTANCE
BUREAU OF COMPLAINT RESOLUTION
FAX NUMBER (850) 413-6110

COMMENTS: Customer: Leon Hard

The customer's case has been assigned to the Process Review Team status. Please, do not take collection action on the customer's account for any disputed amount, if applicable, regarding this case, pending the outcome of the process review. A member of the PSC's Process Review Group will be following up with you regarding this case.

tcj

NUMBER OF PAGES, INCLUDING THIS COVER SHEET: 5

Request No. 697336W

Name HART ,LEON MR.

Business Name _____

Consumer Information Name: LEON HART Business Name: Svc Address: 2808 RUSTIC OAK PLACE County: Seminole Phone: (407)-977-9442 City/Zip: Chuluota / 32766- Account Number: 006700104891 Caller's Name: LEON HART Mailing Address: 2808 RUSTIC OAK PLACE City/Zip: CHULUOTA ,FL 32766- Can Be Reached: (407)-509-2011 E-Tracking Number:	Florida Public Service Commission - Consumer Request 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 850-413-6100	PSC Information Assigned To: CARMEN PENA Entered By: PW Date: 05/04/2006 Time: 08:33 Via: PHONE Prelim Type: QUALITY OF PO: Disputed Amt: 0.00
	Utility Information Company Code: SU445 Company: ALAFAYA UTILITIES, INC. Attn. Karen Sasic697336W Response Needed From Company? Y Date Due: 05/25/2006 Fax: 61,407-869-6961 R	Supmntl Rpt Req'd: 06/08/2006 Certified Letter Sent: / / Certified Letter Rec'd: / /
	Interim Report Received: / / Reply Received: 05/22/2006 Reply Received Timely/Late: Informal Conf.: Y	Closed by: Date: / / Closeout Type: Apparent Rule Violation: N

Preclose type - Quality of Service

Customer Comments: Customer states that Alafaya Utility isn't providing reclaimed water to over 1000 residence in the area. Customer states that the company isn't issuing credits as well. Customer state that the residents are using drinking water to water the lawn and that the company makes money on the use of drinking water as well in the form a sewage charge. Customer is requesting that the FPSC force Alafaya to provide the less expensive irrigation water to lower the cost of residential water and sewage bills. Customer is very frustrated and is asking for assistance in this matter. Customer state that he has called the company many times and the home owners associations in the area have tried to do something about the problem as well. Customer states that as it stands, thousands of residents are paying for a service that they aren't getting.

Request No. 697336W

Name HART ,LEON MR.

Business Name _____

Per Consumer Complaint Rule 25-22.032, please use the following procedures when responding to PSC complaints.

1. Complaint resolution should be provided to the customer via direct contact with the customer, either verbally or in writing within 15 working days after the complaint has been sent to the company.
2. A response to the PSC is due by 5:00 p.m. Eastern time, of the 15th working days after the complaint has been sent to the company.
3. The response should include the following:
 - a) the cause of the problem
 - b) actions taken to resolve the customer's complaint
 - c) the company's proposed resolution to the complaint
 - d) answers to any questions raised by staff in the complaint
 - e) confirmation the company has made direct contact with the customer
4. Send your written response to the PSC, and copies of all correspondence with the customer to the following e-mail, fax, or physical addresses:

E-Mail - pscreply@psc.state.fl.us

Fax - 850-413-7168

Mail - 2540 Shumard Oak Blvd.

Tallahassee, Florida 32399-0850

Case taken by P. Walker

05/22/2006 Report received via fax. /EEstelle

05/30/2006 Received by G. Ortiz: Customer called back and he states that he disagree to the respond from Alafaya.

06-05-06 Customer states that he was supposed to get a call back from Kaullis within 24 hours last week according to the person that took his call. Customer states that the reason he objected to the ALAFAYA Utility Inc. resolution is that, ALAFAYA Utility Inc. hasn't made any provisions to enforce usage guidelines in the letter mailed to home owners on April 3rd. Customer states that in addition, that ALAFAYA Utility Inc. is continuing to collect a flat rate usage fee for service that they are not providing, additionally, ALAFAYA Utility Inc. is collecting sewage fees for potable water. Customer states that they are charging for service that home owners aren't getting and then charging for the potable drinking water as sewage since they can't get the reused water. PW

06/05/2006 Reviewed report. Alafaya reports the following:

Due to recent dry weather patterns experienced in Central Florida, it has experienced difficulty in sustaining the reclaimed water demand for purposes of landscape irrigation. The company's supply of reclaimed water is limited to the amount of wastewater flow treated at its wastewater plant. Alafaya indicates that it has imposed a watering schedule with reuse watering restrictions using the St. Johns River Water Management

Request No. 697336W

Name HART ,LEON MR.

Business Name

guidelines for potable water usage. The company is billing a flat rate of \$6.93 for the service. kmarshall

June 6, 2006 -- I contacted Mr. Hart. The customer was advised of the findings and disagrees that the company should be allowed to bill a flat rate for a service it is unable to provide. kmarshall

Additionally, Mr. Hart indicates that on the days he is to water (Wednesday and Saturday) he unable to do so because of low pressure or no pressure. The customer acknowledges that the company made recommendations but fell to ensure that everyone is using the schedule. He feels that the company is not enforcing the watering schedule by valving off the communities that are watering outside of the watering guidelines. Mr. Hart feels that he should not have to pay a flat rate when the company is not able to provide the service. kmarshall

06/08/2006 ATTENTION COMPANY: THIS IS A REQUEST FOR A SUPPLEMENTAL REPORT.

1. The customer indicates that he is unable to water on his scheduled days due to low or no pressure. He believes this is due to other communities watering outside of there scheduled day(s). Please advise if Alafaya has measures in place to ensure that everyone adheres to the schedule.

2. Follow up with the customer.

3. Provide a report to the PSC by June 19, 2006. kmarshall

06/19/2006 Report received via fax. /EEstelle

06/19/2006 Reviewed report. The company reported the following:

" During the recent dry Weather pattern experienced in the Central Florida area, Alafaya Utilities, Inc. has experienced difficulty in sustaining the reclaimed water demand for purposes of landscape irrigation.

" The Utility's supply of reclaimed water is limited to the amount of wastewater flow treated at the Alafaya Wastewater Treatment Plant each day.

" This has resulted in periods of very low to no water pressure throughout the service area due to customers watering at all hours of the day and night on most days of the week.

" In order to address this issue, the Utility imposed reuse watering restrictions using the St. Johns River Water Management District guidelines for potable water usage.

" Alafaya, being a privately owned and operated utility is not empowered with any enforcement capabilities other than shutting down the system or portions thereof to those residents that should not be watering.

" As previously reported, the utility has altered the watering schedule to more evenly distribute the peak demand.

" Even with this in place, the reuse available for distribution is directly related to the amount of raw sewage that enters the plant for treatment on a daily basis.

" Alafaya is making efforts to maximize the volume of reclaimed water within its means. There is not an unlimited supply of reclaimed water available.

" The Utility makes no claim that the supply is or should be delivered without limits or restrictions.

Request No. 697336W

Name HART ,LEON MR.

Business Name

" The Utility provides reclaimed water and as stated in the approved tariff, is permitted to charge a flat rate for this service. kmarshall

9/26/2006 I contacted Mr. Hart. The customer states that he continues to experience the no or low water pressure with the irrigation system. The customer states that it is not fair that customer's are billed at a flat rate for service it can not receive. The customer is seeking further recourse. The customer was advised that the case will be forwarded for further review. kmarshall

9/26/2006 Additionally, the customer feels that the Utility is not turning the valves off to other communities (not scheduled to water) to insure water availability/ supply to customer's scheduled to water on a particular day. kmarshall

09/27/06: Delivered case file to Process Review. RRoland

Carmen Pena

From: Randy Roland
Sent: Wednesday, September 27, 2006 11:36 AM
To: Carmen Pena

COMPLAINT 697336W IS A INFORMAL CONF. CASE

Leon Hart

No.

Alafaya Utilities

ORIGINAL

(The case is open)

Pena

From: NET SatisFAXtion [postmaster]
Sent: Monday, June 19, 2006 4:52 PM
To: PSCREPLY
Subject: 4078696961, 1 page(s)

Attachments: FAX.TIF

You have received a new fax. This fax was received by **NET SatisFAXtion**. The fax is attached to the message. Open the attachment to view your fax.

Received Fax Details

Received On: 6/19/2006 4:50 PM
Number of Pages: 1
From (CSID): 4078696961
From (ANI):
Sent to DID:

Duration of Fax: 0:00:42
Transfer Speed: 14400

Received Status: Success
Number of Errors: 0
Port Received On: RockForceOCTO+ Port 6 #2

ORIGINAL



FAX.TIF (24 KB)

ALAFAYA UTILITIES, INC.

AN AFFILIATE OF UTILITIES, INC.
200 WEATHERSFIELD AVENUE
ALTAMONTE SPRINGS, FLORIDA 32714

CORPORATE OFFICES:
2335 Sanders Road
Northbrook, Illinois 60062
Telephone: 847-498-6440

Telephone: 407-869-1919
Florida: 800-272-1919
Fax: 407-869-6961
florida@utilitiesinc-usa.com

June 19, 2006

Ms. Kaulis Marshall
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32389

Re: Supplemental Consumer Request No. 697336W
Mr. Leon Hart, 2808 Rustic Oak Place, Oviedo, Florida
Account # 00670-010489-1

Dear Ms. Marshall:

This supplemental correspondence is in response to the above referenced consumer request in which Mr. Hart has expressed continued concerns about the reuse water pressure at his home.

During the recent dry weather pattern experienced in the Central Florida area, Alafaya Utilities, Inc. has experienced difficulty in sustaining the reclaimed water demand for purposes of landscape irrigation. The Utility's supply of reclaimed water is limited to the amount of wastewater flow treated at the Alafaya Wastewater Treatment Plant (WWTP) each day. This has resulted in periods of very low to no water pressure throughout the service area due to customers watering at all hours of the day and night on most days of the week.

In order to address this issue, the Utility imposed reuse watering restrictions using the St. Johns River Water Management District guidelines for potable water usage. Alafaya Utilities, Inc. being a privately owned and operated utility is not empowered with any enforcement capabilities other than shutting down the system or portions thereof to those residents that should not be watering. As previously reported, the utility has altered the watering schedule to more evenly distribute the peak demand. However, even with this in place, the reuse available for distribution is directly related to the amount of raw sewage that enters the plant for treatment on a daily basis. Simply stated it is supply vs. demand.

Alafaya Utilities, Inc. is making efforts to maximize the volume of reclaimed water within its means. Unfortunately, there is not an unlimited supply of reclaimed water available. The Utility makes no claim that the supply is or should be delivered without limits or restrictions. To the extent the wastewater flows permit, the Utility provides reclaimed water and as stated in the approved tariff, is permitted to charge a flat rate for this service.

If you have any further questions, please contact me.

Sincerely,



Karen Sasic
Office Manager

/ks

cc: ~~Mr. Leon Hart~~
2808 Rustic Oak Place
Oviedo, FL 32786

ORIGINAL

08

07
ORIGINAL

Eyvonne Estelle

From: NET SatisFAXtion [postmaster]
Sent: Monday, May 22, 2006 3:45 PM
To: PSCREPLY
Subject: 4078696961, 4 page(s)

Attachments: FAX.TIF

You have received a new fax. This fax was received by NET SatisFAXtion. The fax is attached to the message. Open the attachment to view your fax.

Received Fax Details

Received On: 5/22/2006 3:43 PM
Number of Pages: 4
From (CSID): 4078696961
From (ANI):
Sent to DID:

Duration of Fax: 0:01:21
Transfer Speed: 14400

Received Status: Success
Number of Errors: 0
Port Received On: RockForceOCTO+ Port 6 #2



FAX.TIF (65
KB)

ALAFAYA UTILITIES, INC.
AN AFFILIATE OF UTILITIES, INC.
200 WEATHERSFIELD AVENUE
ALTAMONTE SPRINGS, FLORIDA 32714

CORPORATE OFFICES:
2335 Sanders Road
Northbrook, Illinois 60062
Telephone: 847-498-6440

Telephone: 407-869-1919
Florida: 800-272-1919
Fax: 407-869-6961
florida@utilitiesinc-usa.com

May 22, 2006

Ms. Kaullis Marshall
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Consumer Request No. 697336W
Mr. Leon Hart, 2808 Rustic Oak Place, Oviedo, Florida
Account # 00870-010489-1

Dear Ms. Marshall:

This correspondence is in response to the above referenced consumer request in which Mr. Hart has expressed concerns about the reuse water pressure at his home.

During the recent dry weather pattern experienced in the Central Florida area, Alafaya Utilities, Inc. has experienced difficulty in sustaining the reclaimed water demand for purposes of landscape irrigation. The utility's supply of reclaimed water is limited to the amount of wastewater flow treated at the Alafaya Wastewater Treatment Plant (WWTP) each day. This has resulted in periods of very low to no water pressure throughout the service area due to customer watering at all hours of the day and night on most days of the week.

In order to address this issue, the utility imposed reuse watering restrictions using the St. Johns River Water Management District guidelines for potable water usage. On April 3, 2006, the attached letter was sent to all Alafaya reuse customers outlining the watering schedule imposed by the utility. This schedule outlines the days and times each neighborhood and individual homeowner may irrigate. To ensure no watering during the time period of 11:00 a.m. and 4:00 p.m. when water lost to evaporation is at its highest, the utility turns off the reuse pumps at the WWTP. As a result of these actions, the reclaimed supply at the WWTP has time during the day to replenish the supply in the tanks before the pumps are turned back on and the residents begin their watering in the evenings.

These measures are necessary to insure that every resident has the opportunity to utilize reclaimed water for their irrigation needs. The reuse watering restrictions will remain in effect until the reclaimed demand subsides due to more rainfall in the area. The water shortage is not unique to Alafaya Utilities only, but rather to all utilities in the Central Florida area due to the drought conditions currently being experienced in our region.

In addition, Mr. Hart also feels that he should be refunded. The approved rate schedule by the Florida Public Service Commission defines the applicability of irrigation quality water service for residential applications as to the extent of its capacity and wastewater flows, the utility shall provide irrigation quality water using treated wastewater effluent. The utility is permitted to charge a rate for this service and no refund of these charges will be made.

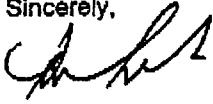
On his most recent invoice dated 04/26/2006, Mr. Hart failed to pay the rate reuse rate of \$6.98. It should be noted that this amount is now past due.

The Utility is not ignoring the issue with the reclaimed water system and is making efforts to ensure all residents have the ability to use the system during the drought. We apologize for any inconvenience this has caused Mr. Hart and would like to thank him for his understanding during this time period.

If you have any further questions, please contact me.

05

Sincerely,



Karen Sasic
Office Manager

/ks

cc: Mr. Leon Hart
2808 Rustic Oak Place
Oviedo, FL 32766

ALAFAYA UTILITIES, INC.

AN AFFILIATE OF UTILITIES, INC.

200 WEATHERSFIELD AVENUE
ALTAMONTE SPRINGS, FLORIDA 32714

CORPORATE OFFICES:
2335 Sanders Road
Northbrook, Illinois 60062
Telephone: 847-498-6440

Telephone: 407-869-1919
Florida: 800-272-1919
Fax: 407-869-6961
florida@utilitiesinc-usa.com

April 3, 2006

Dear Valued Customer:

During this recent dry weather pattern, Alafaya Utilities, Inc. has experienced difficulty in sustaining the reclaimed water demand for purposes of landscape irrigation. The Utility's supply of reclaimed water is limited to the amount of wastewater flow treated at the Alafaya WWTP each day. When irrigation demand exceeds supply plus any stored reuse water, there is a shortage.

This issue has many of our customers wondering what the Utility is going to do to address this matter. It is for this reason that we propose the following watering schedule so that irrigation demand will more closely coincide with the reuse supply. **In order to work through this difficult time we request that you water only on the days specified below and limit irrigating to 20 minutes per zone.**

Mondays - All Commercial, roadside and common area irrigation systems only.

Tuesdays - Homes with odd numbered addresses within Live Oak, Waverlee Woods and Ekana Green subdivisions.

Wednesdays - Homes with even numbered addresses within Live Oak, Waverlee Woods and Ekana Green subdivisions.

Thursdays - All homes within The Sanctuary subdivision plus all common areas within The Sanctuary and all commercial irrigation systems.

Fridays - Homes with odd numbered addresses within the Live Oak, Waverlee Woods and Ekana Green subdivisions.

Saturdays - Homes with even numbered addresses within the Live Oak, Waverlee Woods and Ekana Green subdivisions.

Sundays - All homes within The Sanctuary subdivision and those common areas within The Sanctuary

Alafaya Reuse Notice
April 3, 2006
Page 2

Newly installed landscaping is exempt from the twice per week limit for a period not to exceed 30 days beginning with the date of installation.

Alafaya Utilities refills the Twin Rivers Country Club irrigation pond during the day, which is their sole source of irrigation water. By refilling during the day, the Utility avoids having to deliver reuse to the golf course in competition with reuse delivered to residential customers.

We ask that you do not water between the hours of 9:00am and 4:00pm on any day of the week. This will minimize water lost to evaporation before reaching the root system.

These measures are necessary to insure that everyone has the opportunity to utilize this critical resource for their irrigation needs. We thank you in advance for your patience and cooperation during this time period. If you have any questions, please call our customer service department at 407.869.1919.

Sincerely,

ALAFAYA UTILITIES, INC.

02
ORIGINAL

IRRIGATION QUALITY WATER SERVICE-RESIDENTIAL
RATE SCHEDULE

AVAILABILITY - Available to those areas within the certificated service territory of Service Company which are connected to the Utility's reuse system.

APPLICABILITY - To the extent of its capacity and wastewater flows, the Utility shall provide irrigation quality water using treated wastewater effluent.

LIMITATIONS - Subject to all of the rules and regulations of this tariff and general rules and regulations of the Commission.

BILLING PERIOD - Monthly

FLAT RATE - \$6.93 x

AVAILABILITY FEE - \$5.78 xx

TERM OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After a (5) working days written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

x- Applicable to all residential customers receiving reuse irrigation service.

xx- Applicable to residential customers which have a reuse line adjacent to their property, but

EFFECTIVE: - For service rendered on or after November 13, 2005

TYPE OF FILING - 2005 Index & Pass Through

Lawrence Schumacher
President & CFO

IRRIGATION QUALITY WATER SERVICE-GENERAL SERVICE

RATE SCHEDULE

AVAILABILITY - Available to those areas within the certificated service territory of Service Company which are connected to the Utility's reuse system.

APPLICABILITY - To the extent of its capacity and wastewater flows, the Utility shall provide irrigation quality water using treated wastewater effluent.

LIMITATIONS - Subject to all of the rules and regulations of this tariff and general rules and regulations of the Commission.

BILLING PERIOD - Monthly

BASE FACILITY CHARGE - -0-

GALLONAGE CHARGE - \$ 0.29

TERM OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After a (5) working days written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE: - For service rendered on or after November 13, 2005

TYPE OF FILING - 2005 Index & Pass Through

Lawrence Schumacher
President & CFO