

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

UNDOCKETED

NOTICE OF INFORMAL WORKSHOP

TO: ALL WATER AND WASTEWATER UTILITIES AND INTERESTED PERSONS

RE: RATE CONSOLIDATION

ISSUED: October 15, 2007

NOTICE is hereby given that the Florida Public Service Commission will conduct an informal workshop, to which all persons are invited, at the following time and place:

Monday, October 29, 2007, 9:30 a.m. – 5:00 p.m.  
Room 148, Betty Easley Conference Center  
4075 Esplanade Way  
Tallahassee, FL 32399-0862.

The informal workshop is being held to discuss and consider rate consolidation issues for water and wastewater utilities.

If you wish to comment but cannot attend the workshop, please submit your comments to: Paul Stallcup, Division of Economic Regulation, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0852 (850) 413-6441. A copy of the agenda is attached to this Notice.

Any person requiring some accommodation at this workshop because of a physical impairment should call the Office of Commission Clerk at (850) 413-6770 at least 48 hours prior to the workshop. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at: 1-800-955-8771.

By direction of the Florida Public Service Commission, this 15th day of October.



ANN COLE  
Commission Clerk

(SEAL)

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Notice of Meeting/Workshop Hearing

**PUBLIC SERVICE COMMISSION**

The FLORIDA PUBLIC SERVICE COMMISSION announces a workshop to which all persons are invited.

DATE AND TIME: October 29, 2007, 9:30 a.m – 5:00 p.m.

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

GENERAL SUBJECT MATTER TO BE CONSIDERED: This informal workshop is being held to discuss and consider rate consolidation issues for water and wastewater utilities. Undocketed.

For more information and for a copy of the agenda you may contact: Paul Stallcup, Division of Economic Regulation, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6441, e-mail address [pstallcu@psc.state.fl.us](mailto:pstallcu@psc.state.fl.us).

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 48 days before the workshop/meeting by contacting: Office of Commission Clerk, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, (850) 413-6770. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

Water Rate Consolidation Workshop  
October 29, 2007  
Proposed Agenda

- 1) What Rate Consolidation Is
  - NARUC Definition
  - Example
- 2) The Intended Goals of Rate Consolidation
  - Utility – Increased Operational and Management Efficiencies
  - Economic viability for smaller systems
  - Customers – Insulation from Rate Shock for customers of small systems following system improvements
- 3) An Unintended Consequence of Rate Consolidation
  - Customer Cross-Subsidies
  - Difficulty in targeting system-specific WMD requirements
- 4) How Cross-subsidies are created when rate consolidation occurs
  - Example
- 5) Policy Question Arising from Rate Consolidation
  - Statutory Requirement for ‘not unduly discriminatory’
  - Rate Consolidation results in subsidies
  - When do subsidies become so large that they are unduly discriminatory?
- 6) Previous Commission Decisions on Rate Consolidation
  - SSU
  - Utilities Inc of Florida
- 7) What Other States Have Done
  - West Virginia
  - Indiana
  - Pennsylvania
- 8) Methods of Rate Consolidation – Geographic/Economic
  - Geographic – State-wide, Regional, County-wide
  - Economic – Capband, Rate Balancing,
- 9) Utility and OPC Comments
  - Aqua
  - UIF
  - Water Management Districts