

State of Florida



CONSUMER

Public Service Commission

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

-M-E-M-O-R-A-N-D-U-M-

DATE: January 15, 2008
TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk
FROM: *JD* Jared Deason, Regulatory Analyst IV, Division of Economic Regulation
RE: Docket No. 070415-WS – Application for staff-assisted rate case in Polk County by CHC VII, Ltd.

Please add the following document to the correspondence side of the above referenced Docket.

DOCUMENT NO. DATE
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FPSC - COMMISSION CLERK

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Clyde Stocker

The reason that you, the PSC, have not had any complaints is that, the company never informed us, as a community that any change had been made. All complaints were made to the Park Manager and we doubt that they were passed on to anyone else. We have been complaining about the odor in the water ever since the park was started. I do remember a resident saying that he had complained to the PCHD and that was probably the one that was passed on the PSC

We feel that all residents are concerned with the amount of water that we use each year. As a Homeowners Association, we constantly remind our residents about the watering rules. Your report says that each home used 4.7 k each month. As we all are required to have irrigation systems by our prospectus, we are forced to use a certain amount of water each month. Our main concern is that the park common areas and the golf course have no restrictions on the amount that they use. We have seen sprinklers run 24 hours a day, broken sprinkler heads shooting water in the air, streets that receive more water that the golf course. When these problems are pointed out to management, nothing is done.

On the company application that was filled out by Todd Maxwell, he stated that the average daily flow of treated water was 225,000 gpd. or 82,125,000 gpy. Your audit stated that the average resident used 4,700 gpmonth or a combined gallonage of all of the 873 homes of 49,237,200 gallons per year. If you take the total gallons treated, 82,125,000, subtract the total gallon used by the residents 49,237,200, this leaves 32,887,800 gallons that was unaccounted for by the company. The golf course is operated under Lake Henry Golf Club and charge yearly fee's to use this course. Each year these fees have been going up to pay for the increased cost to maintain the course. We have paid for the water once with this fee, why should be pay again. It seems that management has the idea to stick them with all you can.

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This community is not the average year round living that you find in most cities or town, A great percentage of these home are only used for the winter months and are empty during the summer months. It is a standard practice in these empty homes, to shut off all water that enters the house and only leave the irrigation water on. In doing this, no wastewater enters the system. Why should we have to pay for wastewater treatment for that period of time? Also currently, all original owners only pay \$5.00 per month during the months that we are not here. What is going to happen to that program? Is CHC going to lower the lot rent during the summer months?

We also have a question as to what the billing cycle is going to be. Currently, the meters are read each quarter and additional usage is billed to the homeowner. Do we continue to pay the \$15.71 per month or is the \$15.71 per month being dropped and the meters read each month with a bill coming to the homeowner. I doubt this, as they do not have the manpower to read them each quarter

I purchased my home in April 1988 and my lot rent was \$ 200 a month. I paid my lot rent on Jan. 3 of this year and my lot rent was \$ 360.06. When I came here in 1988, the camper and boat compound was \$ 10 per month. It later went to \$ 25 and then later to \$40 plus a \$ 2.80 tax. No improvements to the compound just and increase in Profit. In 1988, Golf for a couple was \$ 400 and this year it is \$ 675. All of these increases came with no additional facilities or services. As a matter of fact, we now have 9 less holes of golf with no decrease in fees.

I am sure that CHC creative bookkeeping has created the image that they are losing money on the water and sewer when they are actually spending the money on maintaining the appearance of the



property. When we purchased our homes, we were all presented a Certificate of Confidence signed by Larry Maxwell about the excellence of this community but this seems to only be true if the residents are willing to pay for it. The CPI that our rents are based on should cover the additional cost of operating and maintenance. If they are showing a loss on water & sewer, it is only because they have not credited the CPI increase from the lot rental and golf fees to the proper account.

To sum this whole thing up, we feel that CPI increase over the past years is more than adequate to cover the additional expenses that Century has had. If Century feels that the residents can live with the CPI, then we feel that Century can live with it also without any additional increase in fees.

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DISTRICT OFFICE
08 JAN 14 AM 7:43
January 10, 2008

Director, Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Ref: **Docket No. 070415-WS, CHC VII, Ltd.**

CONSUMER

Dear Ladies and Gentlemen of the Commission:

Having attended the **Florida Public Service Commission** customer meeting on 1/9/2008 concerning a rate case request by **CHC VII, Ltd. (Docket No. 070415-WS)**, may I comment on some of my concerns relative to the case?

I feel that the rates developed by the Staff in their preliminary report are both fair and equitable to both parties when taken in the context of cost/unit to the consumer and a net return of 6.29% to the Utility.

Needless to say that we at **Swiss Golf & Tennis** are a mature customer base primarily living on fixed incomes and so will be concerned with an approximate 84% (based on 6,000 gallons/month consumption) water and sewer rate increase. This increase will adversely impact our budgets. This class of population does not have the opportunity to readily regenerate income, to cover increased expenditures, which might be available to an employed population. I believe that an aggressive informational program will make acceptance of the proposed rates more palatable to the population.

The **PSC** is resource conservation minded as reflected in the proposed rate structure of pay for use. Currently, the average consumer at **SG&T** has no idea of their consumption, as billing statements are not or infrequently provided by the Utility. How, when and where to conserve? We individually do not understand the impact or cost increase of service under the new rate structure. May I suggest that monthly "dual billing" be provided for three (3) months prior to implementation of the ordered new rates? I believe that this would help reduce the potential "sticker shock" to the consumer, as well as provide an opportunity implement methods of conservation prior to rate change by the consumer.

If a consumer opted to measure (meter) irrigation water consumption, then might this measured volume be deducted from wastewater service? In as much as the proposed rate structure is use base, and the irrigation water is not treated, then this method would appear to meet the use criteria. Will a dual metering rate option be considered?

Within the context of resource conservation, we shall be living under a new standard. Conserve or pay! **SWFWMD**, the water resource managers in Polk County, have, to this writer view, a different philosophy. You "little people" will conserve this finite resource, but we shall rubber stamp the request

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for water service to any developer. Is a part of conservation limiting of new demand upon the resource? Reduce new customer expansion an option?

There also exists a very convoluted and/or complex public inter-agency network In Florida. There apparently is not a single (final) agency responsible for issuing permits such as in the case water and wastewater treatment. If an individual is not well versed in Florida law, then I feel it to be a major undertaking to "mine information" specific to a regulated company (Utility). Whom do you contact?

Another disappointment to me lies in the quality of data allowed to be submitted by a Utility (i.e. CHC VII, Ltd.) for both a rate case application and Annual (operating) Report (2006). If my understanding is correct, there is no review of these submissions unless specifically requested (i.e. rate increase, complaint, etc.). My question is the value of these reports other than "make work" for a CPA? Would a periodic water quality testing report not better serve the consumer?

Lastly, I support enforcement of rules and regulations associated with Utility permits. I feel that regulated companies must be responsible citizens and honor their contracts (agreements permitted) to the public. If they choose to ignore these contracts, then they should be held accountable for their shortcomings as prescribed by law.

Although I may appear sympathetic toward the consumer, being one, I expect that it will be demonstrated (we are not re-inventing the flat tire) that a balance with business can be achieved via the regulatory process.

May I thank you in advance, for permitting me this opportunity to offer my comments.

Respectfully submitted,



James P. (Phil) Gilmore

191 Fairway Circle

Winter Haven, FL 33881

Phone: 863-299-7123

e-mail: fl.gilmores@verizon.net

cc: T. Jacobs, President SG&T HOA

J. Behring, Director SG&T HOA

E. Schutz, Director SG&T HOA