

STATE OF FLORIDA

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DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

May 19, 2008

RECEIVED-FPSC
08 MAY 19 PM 1:36
COMMISSION CLERK

W.P. Utilities, Inc.
Attn: Caroline Schneider
3500 W. Lantana Road
Lantana, FL 33462

Re: Docket No. 070722-WS - Staff Assisted Rate Case for W.P. Utilities, Inc. in Palm Beach County

Dear Ms. Schneider:

This will confirm that Commission Staff will hold a customer meeting at the Palm Breezes Clubhouse on June 11, 2008, starting at 6:00 p.m. We ask that, if at all possible, you or another knowledgeable representative of the utility attend the meeting in order to answer customer questions. The location of the meeting will be the:

Palm Breezes Clubhouse
3500 W. Lantana Road
Lantana, FL 33462

The original customer meeting notice is enclosed. Please note the date has been left blank so that you can fill in the date that the notice is sent to the customers. As required by Rule 25-22.0407(9)(b), Florida Administrative Code (F.A.C.), the utility shall provide, in writing, a customer meeting notice to all customers within its service area no less than 14 days and no more than 30 days prior to the date of a customer meeting. Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

Two copies of the staff report will subsequently be sent under a cover letter. When you receive the staff report, please ensure that a copy of the completed Application for Staff Assistance and the staff report are available for review, pursuant to Rule 25-22.0407(9)(b), F.A.C., by all interested persons at the following location:

DOCUMENT NUMBER - DATE
04119 MAY 19 08
FPSC-COMMISSION CLERK

Ms. Schneider
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May 13, 2008

W.P. Utilities, Inc.
3500 W. Lantana Road
Lantana, FL 33462

4/11

For your convenience, I have also enclosed a copy of Rule 25-22.0407(9), F.A.C.

Should you have any questions about any of the matters contained herein, please do not hesitate to contact me at (850) 413-6230. In addition, you may contact Shannon Hudson at (850) 413-7021, with any questions.

Sincerely,



Lisa C. Bennett
Senior Attorney

Enclosure

LCB:sh

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Hudson, Massoudi)
Office of Commission Clerk (Docket No. 070722-WS)
Office of Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETINGS

TO THE CUSTOMERS OF W.P. UTILITIES, INC.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 070722-WS

APPLICATION OF W.P. UTILITIES, INC.

FOR A STAFF-ASSISTED RATE CASE IN

PALM BEACH COUNTY

Issued:

Notice is hereby given that the staff of the Florida Public Service Commission (Commission) will conduct a customer meeting to discuss the application of W.P. Utilities, Inc. (W.P. or utility) for a staff-assisted rate case (SARC) in Palm Beach County. The meeting will be held at the following time and place:

6:00 p.m., Wednesday, June 11, 2008
Palm Breezes Clubhouse
3500 W. Lantana Road
Lantana, FL 33462

All persons who wish to comment are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present. One or more of the Commissioners of the Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all the customers have been heard.

Commission staff is also attempting to meet with representatives of customer groups and homeowners associations on June 11, 2008, between 2:00 p.m. and 5:00 p.m. at the Palm Breezes Clubhouse. If you are a representative of a customer group or homeowners association and you have not been contacted by the Public Service Commission staff, and wish to meet with staff, please contact Bart Fletcher at (850) 413-7017 or Shannon Hudson at (850) 413-7021 of the Commission staff prior to June 9, 2008.

All persons who wish to participate in individual meetings are urged to make an appointment, since the individual meeting sessions may be canceled if no appointments are made.

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 the cancellation of the meeting will also be provided on the Commission's website (<http://www.psc.state.fl.us/>) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Commission's Office of the General Counsel at 850-413-6199.

Any person requiring some accommodation at the customer meeting(s) because of a physical impairment should call the Office of Commission Clerk at (850) 413-6770 at least five calendar days prior to the meeting(s). Any person who is hearing or speech impaired should contact the Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

PURPOSE

The purpose of this meeting is to give customers and other interested persons an opportunity to offer comments to Commission staff regarding the quality of service the utility provides, the proposed rate increase, and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will summarize W.P.'s proposed filing, the preliminary work accomplished, and answer questions to the extent possible. A representative from the utility has also been invited to respond to questions.

At the beginning of the meeting, procedures will be established for the order of comments. Commission Staff will have sign-up sheets, and customers will be called to speak in the order that they sign-up. Staff will be available to coordinate customers' comments and to assist members of the public.

Any person who wishes to comment or provide information to staff may do so at the meetings, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Commission's toll-free facsimile line at 1-800-511-0809.

BACKGROUND

W.P. Utilities, Inc. (W.P. or utility) is a Class C water and wastewater company serving approximately 190 customers in Palm Beach County. According to the utility's 2006 annual report, total gross revenue was \$33,690 and \$57,574 for water and wastewater, respectively. Total operating expense was \$44,371 for water and \$50,298 for wastewater.

The utility purchases potable water and wastewater treatment and disposal services from the City of Lake Worth and resells these services to the residents of Palm Breezes Club Mobile

NOTICE OF CUSTOMER MEETINGS

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Home Park. W.P. owns the water distribution and wastewater collection lines within the mobile home park. The utility has been in existence and providing service since 1987. W.P. received reseller exempt status in 1990.¹

In order to recover the costs of administration, meter setting, meter reading, customer accounting, maintenance of the distribution and collection systems and plant investment, which could not be done under the reseller exempt status, the utility applied for and received Certificate Nos. 548-W and 478-S.²

On August 24, 1994, the utility filed for a staff-assisted rate case and Docket No. 940895-WS was established. The utility was granted a rate increase.³ The utility last applied for a staff assisted rate case January 13, 2000. The filing was assigned Docket No. 000042-WS. The utility withdrew its request on February 24, 2000.

On December 13, 2007, W.P. applied for a staff-assisted rate case (SARC) in the instant docket. The test year for final rates is the twelve-month period ended December 31, 2007.

CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. These rates are preliminary and subject to change based on information gathered at the customer meeting, further staff review, and the final decision by the Commission. The utility's current, and staff's preliminary, rates and charges are as follows:

¹ See Order No. 23412, issued August 28, 1990, in Docket No. 900682-WS, In Re: Request for exemption from Florida Public Service Commission regulation for water and sewer facilities in Palm Beach County by W.P. Utilities, Inc.

² See Order No. PSC-92-1374-FOF-WS, issued November 11, 1992, in Docket No. 920650-WS, In Re: Application for water and wastewater certificates in Palm Beach County by W.P. Utilities, Inc.

³ See Order No. PSC-95-0480-FOF-WS, issued April 13, 1995, in Docket No. 940895-WS, In Re: Application for staff-assisted rate case in Palm Beach County by W.P. Utilities, Inc.

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<u>WATER RATES</u>	UTILITY'S EXISTING RATES*	UTILITY'S MONTHLY RATES**	STAFF RECOMMENDED RATES
Residential			
<u>and General Service</u>			
<u>Base Facility Charge by Meter Size:</u>			
5/8"X3/4"	\$25.41	\$8.47	\$12.75
3/4"	\$38.12	\$12.71	\$19.13
1"	\$63.54	\$21.18	\$31.88
1-1/2"	\$127.06	\$42.35	\$63.75
2"	\$203.29	\$67.76	\$102.00
3"	\$406.59	\$135.53	\$204.00
4"	\$635.29	\$211.76	\$318.75
6"	\$1,270.57	\$423.52	\$637.50
*The BFC Charge is billed quarterly			
** For comparison the utility's quarterly rate converted to monthly			
<u>Residential Service Gallonage Charge</u>			
Per 1,000 Gallons	\$2.22	\$2.22	
0 - 3,000 Gallons			\$5.23
Over 3,000 Gallons			\$6.54
<u>General Service Gallonage Charge</u>			
Per 1,000 Gallons	\$2.22		\$5.41
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>			
3,000 Gallons	\$32.07	\$15.13	\$28.44
5,000 Gallons	\$36.51	\$19.57	\$41.52
10,000 Gallons	\$47.61	\$30.67	\$74.22

<u>WASTEWATER RATES</u>	UTILITY'S EXISTING RATES*	UTILITY'S EXISTING RATES**	STAFF RECOMMENDED RATES
<u>Residential and General Service</u>			
Base Facility Charge by Meter Size:			
5/8"X3/4"	\$46.44	\$15.48	\$13.88
3/4"	\$69.66	\$23.22	\$20.82
1"	\$116.07	\$38.69	\$34.70
1-1/2"	\$232.14	\$77.38	\$69.40
2"	\$371.43	\$123.81	\$111.04
3"	\$742.84	\$247.61	\$222.08
4"	\$1,163.75	\$387.92	\$347.00
6"	\$2,321.37	\$773.79	\$694.00
* The BFC Charge is billed quarterly			
** For comparison the utility's quarterly rate converted to monthly			
<u>Residential Gallonage Charge</u>			
Per 1,000 Gallons (30,000 gallon cap per quarter)	\$3.36	\$3.36	\$5.27
<u>General Service Gallonage Charge</u>			
Gallonage Charge per 1,000 gallons	\$4.04	\$4.04	\$6.32
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>			
3,000 Gallons	\$76.68	\$25.56	\$29.69
5,000 Gallons	\$96.84	\$32.28	\$40.23
10,000 Gallons	\$147.24	\$49.08	\$66.58

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated May 13, 2008. Copies of the report may be examined by interested members of the public from 8:00 a.m. to 4:00 p.m., Monday through Friday at the following location:

W.P. Utilities, Inc.
3500 W. Lantana Road
Lantana, FL 33462

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Commission staff will prepare a recommendation which is scheduled to be submitted to the Commission on August 7, 2008. The Commission will then vote on staff's recommendation at its August 19, 2008 Agenda Conference. The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's final recommendation. Substantially affected persons have 21 days from the date that the PAA order is issued to protest the Commission's PAA order. Five to ten customers or persons who attend the meeting, and who wish to receive a copy of the recommendation and the order should so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so in writing to the Commission at the address at the end of this notice.

HOW TO CONTACT THE COMMISSION

Written comments regarding the utility and the proposed rates, and requests to be placed on the mailing list for this case, may be directed to this address:

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

All correspondence should refer to "Docket No. 070722-WS, W.P. Utilities, Inc." If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Affairs at the following toll-free number: 1-800-342-3552. This notice was prepared by Commission staff for distribution by the utility to its customers.

Rule 25-22.0407(9), Florida Administrative Code

(9) When a utility applies for a staff-assisted rate case in accordance with Section 367.0814, Florida Statutes, and Rule 25-~~30~~.455, F.A.C., and staff-assistance is granted, the requirements of subsections (2), (3), (4), and (5) of this rule shall not apply.

(a) Upon receipt of the staff reports, the utility shall place two copies of its application for staff-assistance and the staff reports at any business offices it has in its service area. Such copies shall be available for public inspection during the utility's regular business hours. If the utility does not have a business office in its service area, the utility shall place two copies of its application and the staff reports at the main county library, the local community center or other appropriate location that is within or most convenient to the service area and that is willing to accept and provide public access to the copies.

(b) No less than 14 days and no more than 30 days prior to the date of a customer meeting conducted by the Commission staff, the utility shall provide, in writing, a customer meeting notice to all customers within its service area and to all persons in the same service areas who have filed a written request for service or who have been provided a written estimate for service within the 12 calendar months prior to the month the petition is filed.

(c) The customer meeting notice shall be approved by the Commission staff prior to distribution and shall include the following:

1. The date the notice was issued;
2. The time, date, location, and purpose of the customer meeting;
3. A statement that the utility has applied for a staff-assisted rate case and the general reasons for doing so;
4. A statement of the location where copies of the application and the staff reports are available for public inspection and the times during which inspection may be made;
5. A comparison of current rates and charges and the proposed new rates and charges;
6. The utility's address, telephone number, and business hours;
7. A statement that written comments regarding utility service or the proposed rates and charges should be addressed to the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870, and that such comments should identify the docket number assigned to the proceeding;
8. A statement that complaints regarding service may be made to the Commission's Division of Consumer Affairs at the following toll-free number: 1(800)342-3552.
9. A statement that the Commission will be reviewing the utility's service availability charges in the pending case and that the Commission may adjust those charges.
10. The docket number assigned by the Commission's Division of the Commission Clerk and Administrative Services.

(d) The customer meeting notice shall be mailed to the out-of-town address of all customers who have provided the utility with an out-of-town address.

(e) If the proposed agency action order issued in the case is protested and any hearings are subsequently held, the utility shall give notice in accordance with subsections (6) and (7) above.