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REPLY TO CENTRAL FLORIDA OFFICE

MARTIN S. FRIEDMAN, P.A. BRIAN J. STREET

CHRISTIAN W. MARCELLI, OF COUNSEL (LICENSED IN NEW YORK ONLY)

June 11, 2008

### **E-FILING**

Ann Cole, Commission Clerk Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

RE:

Docket No.: 070695-WS; Miles Grant Water and Sewer Company

2007 General Rate Increase Application

Our File No. 30057.149

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket is a Notice of Filing of the Affidavit of Mailing and the Affidavit of Mailing evidencing that the Initial Customer Notice has been sent to the customers of Miles Grant Water and Sewer Company.

Should you have any questions regarding this filing, please do not hesitate to contact me.

Very truly yours,

MARTIN S. FRIEDMAN

For the Firm

MSF/tlc Enclosures

cc: John Hoy, Chief Regulatory Officer (w/enclosures)

Rick Durham, Regional Vice President for Operations (w/o enclosures)

Patrick C. Flynn, Regional Director (w/enclosures)

Ms. Deborah Swain (w/enclosures)

Mr. Frank Seidman (w/enclosures)

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of

MILES GRANT WATER AND SEWER COMPANY

for an increase in water and wastewater

rates in Martin County, Florida

DOCKET NO. 070695-WS

#### NOTICE OF FILING

Applicant, MILES GRANT WATER AND SEWER COMPANY, by and through its undersigned attorneys, hereby gives notice of filing the Affidavit of Mailing evidencing that the Initial Customer Notice has been sent to the customers of Miles Grant Water and Sewer Company.

Respectfully submitted on this 11<sup>th</sup> day of June, 2008, by:

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MARTIN S. FRIEDMAN

For the Firm

AFFIDAVIT OF MAILING

STATE OF ILLINOIS

COUNTY OF COOK

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared John P. Hoy, who, after being duly sworn on oath, did depose on oath and say that he is the Chief Regulatory Officer of Utilities, Inc., the sole shareholder of Miles Grant Water and Sewer Company, and that on June 3, 2008, he did send by regular U.S. Mail, a copy of the Initial Customer Notice, attached hereto, to all customers of the utility.

FURTHER AFFIANT SAYETH NAUGHT.

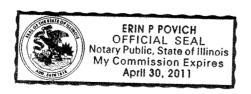
Print Name: John P. Hoy Print Title: Chief Regulatory Officer

Sworn to and subscribed before me this 4th day of June, 2008, by John P. Hoy, who is personally known to me.

Print Name: Evin Povich

NOTARY PUBLIC

My Commission Expires: 4/30 (8)



#### BEFORE THE PUBLIC SERVICE COMMISSION

#### INITIAL CUSTOMER NOTICE

# TO THE CUSTOMERS OF MILES GRANT WATER AND SEWER COMPANY AND ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 070695-WS

APPLICATION FOR INCREASE IN WASTEWATER RATES IN MARTIN COUNTY BY MILES GRANT WATER AND SEWER COMPANY

JUNE 3, 2008

#### **BACKGROUND**

Miles Grant Water and Sewer Company (the "Utility") is a water and wastewater utility whose corporate offices are located at 200 Weathersfield Avenue, Altamonte Springs, Florida. The Utility's water and wastewater facilities are located in Martin County, Florida.

The Utility filed an application with the Florida Public Service Commission (the "Commission") to increase water and wastewater rates for its Martin County customers on February 29, 2008. The application was assigned Docket No. 070695-WS, and April 10, 2008, was established as the official date of filing.

As reported in its Minimum Filing Requirements ("MFRs") filed with its application to the Commission, the Utility's revenues per books are \$272,800, with operating expenses per books of \$321,436, for its water system, and revenues per books of \$337,176, with operating expenses per books of \$339,499, for its wastewater system, resulting in a net operating loss of \$48,637 for its water system, and net operating loss of \$2,323 for its wastewater system, per books, before adjustments. The rate increase application has been filed by the Utility because of inadequate earnings.

Copies of the MFRs will be available for inspection at the following locations:

Blake Library 2351 S.E. Monterey Road Stuart, FL 34996 Miles Grant Water and Sewer Company 200 Weathersfield Avenue Altamonte Springs, FL 32714

Hours of Operation:

Monday to Thursday 10:00 a.m. to 8:00 p.m.

Friday 10:00 a.m. to 5:30 p.m. Saturday 10:00 a.m. to 5:30 p.m. Sunday 1:00 p.m. to 5:00 p.m.

Office Hours: Monday – Friday 8:00 a.m. to 4:30 p.m.

A "Rate Case Synopsis" will also be available, along with the application and MFRs. The test period for setting rates is the historical average thirteen-month period ended June 30, 2007.

## **CURRENT AND PROPOSED CHARGES**

The current and proposed rates and charges follow. These rates are subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners.

### **WATER SERVICE**

Residential and General Service Monthly	Test Year Rates*	Rates Prior to Filing	<u>Utility's</u> <u>Requested</u> <u>Interim Rates</u>	<u>Utility's</u> <u>Requested</u> <u>Final Rates</u>	Commission Approved Interim Rates (In effect as of: May 27, 2008)
Base Facility Charge					
Meter Size:					
5/8"	\$ 21.29	\$ 21.81	\$ 33.94	\$ 37.49	\$ 30.06
1"	\$ 53.00	\$ 54.28	\$ 84.84	\$ 93.73	\$ 74.82
1 ½"	\$ 105.84	\$ 108.40	\$ 169.68	\$ 187.45	\$ 149.42
2"	\$ 169.32	\$ 173.42	\$ 271.49	\$ 299.92	\$ 239.04
3"	\$ 338.47	\$ 346.66	\$ 542.98	\$ 599.84	\$ 477.83
4"	\$ 528.79	\$ 541.59	\$ 848.41	\$ 937.25	\$ 746.52
6"	\$1,057.47	\$1,083.06	\$1,696.82	\$1,874.50	\$1,492.88
Gallonage Charge (per 1,000 gallons)	\$2.60	\$2.66	\$4.14	\$4.82	\$3.67

## **WATER SERVICE (Continued)**

Irrigation	Test Year Rates*	Rates Prior to Filing	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim Rates (In effect as of: May 27, 2008)
5/8" General Service Irrigation	\$21.29	\$21.81	\$33.94	\$37.49	\$30.06
Gallonage per 1,000 gallons	\$2.60	\$2.66	\$4.14	\$4.82	\$3.67
2" Irrigation Bulk Rate					
Gallonage per 1,000 gallons	\$0.53	\$0.54	\$0.00	\$0.00	\$0.54

<sup>\* &</sup>quot;Test Year rates" refers to the rates in effect during the Test Year, the 13-month average period ending June 30, 2007. When an approved increase is expressed as a percentage increase, it refers to the percentage increase over the Test Year rates.

## WASTEWATER SERVICE

Residential  Monthly	Test Year Rates*	Rates Prior to Filing	<u>Utility's</u> <u>Requested</u> <u>Interim Rates</u>	Utility's Requested Final Rates	Commission Approved Interim Rates (In effect as of: May 27, 2008)
Base Facility Charge					
Meter Size:					
All Sizes Residential	\$27.98	\$28.79	\$50.96	\$54.82	\$46.23
Gallonage Charge (per 1,000 gallons) (Maximum 10,000 gallons per month)	\$3.95	\$4.06	\$7.19	\$7.56	\$6.53

## **WASTEWATER SERVICE (Continued)**

General Service	<u>Test Year</u> <u>Rates*</u>	Rates Prior to Filing	<u>Utility's</u> <u>Requested</u> <u>Interim Rates</u>	Utility's Requested Final Rates	Commission Approved Interim Rates (In effect as of: May 27, 2008)
Base Facility Charge:					
Meter Size					
5/8" x 3/4"	\$ 27.98	\$ 28.79	\$ 50.96	\$ 54.82	\$46.28
1"	\$ 70.00	\$ 72.02	\$ 127.40	N/A	\$115.78
1 1/2"	\$ 139.96	\$ 144.00	\$ 254.79	\$ 274.10	\$231.49
2"	\$ 223.94	\$ 230.41	\$ 407.67	\$ 438.56	\$370.39
3"	\$ 447.94	\$ 460.89	\$ 815.33	\$ 877.12	\$740.88
4"	\$ 699.88	\$ 720.11	\$1,273.96	\$1,370.50	\$1,157.58
6"	\$1,399.73	\$1,440.18	\$2,547.92	\$2,741.00	\$2,315.11
Gallonage Charge (per 1,000 gallons)	\$3.95	\$4.06	\$7.19	\$7.56	\$6.53

<sup>\* &</sup>quot;Test Year rates" refers to the rates in effect during the Test Year, the 13-month average period ending June 30, 2007. When an approved increase is expressed as a percentage increase, it refers to the percentage increase over the Test Year rates.

## **SERVICE AVAILABILITY CHARGES**

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

# MISCELLANEOUS SERVICE CHARGES

The Utility is requesting the following changes to its miscellaneous service charges.

Water						
Type of Charge	Present	Charge	Requested Charge			
	During Business Hours	After Business Hours	During Business Hours	After Business Hours		
Initial Connection	\$15.00	N/A	\$21.00	\$42.00		
Normal Reconnection	\$15.00	N/A	\$21.00	\$42.00		
Violation Reconnection	\$15.00	N/A	Actual Cost	Actual Cost		
Premises Visit (in lieu of disconnection)	\$10.00	N/A	\$21.00	\$42.00		

Wastewater						
Type of Charge	Present	Charge	Requested Charge			
	During Business Hours	After Business Hours	During Business Hours	After Business Hours		
Initial Connection	\$15.00	N/A	\$21.00	\$42.00		
Normal Reconnection	\$15.00	N/A	\$21.00	\$42.00		
Violation Reconnection	Actual Cost	N/A	Actual Cost	Actual Cost		
Premises Visit (in lieu of disconnection)	\$10.00	N/A	\$21.00	\$42.00		