

COMMISSIONERS:
MATTHEW M. CARTER II, CHAIRMAN
LISA POLAK EDGAR
KATRINA J. MCMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

April 28, 2009

RECEIVED-FPSC
09 APR 29 AM 10:24
COMMISSION
CLERK

Mr. Harold A. Wilkening, III, P.E.
Director, Department of Resource Management
St. Johns River Water Management District
4049 Reid Street
Palatka, FL 32177

Re: Docket No. 080121-WS, Application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc.

Dear Mr. Wilkening: *Hal*

As you know, Catherine Walker (Catherine) provided testimony on behalf of Commission staff (staff) in the Aqua Utilities rate case in above-referenced docket. I would like to express staff's sincere appreciation for Catherine's efforts in this case. Her expert testimony, especially with regard to water conservation-promoting rate structures and Priority Water Resource Caution Areas, provided important support for staff's recommendation to the Commission regarding water rate structures. The Commission approved a three-tiered inclining-block rate structure, with usage blocks based on monthly consumption of: 0-5,000 gallons (5 kgals), 5-10 kgals, and usage in excess of 10 kgals. The Commission also approved rate factors of 1.0, 1.25 and 3.0, respectively. These rate factors, and the resulting rates, should send very strong water conservation signals, especially for consumption in excess of 10 kgals, to all PSC-regulated Aqua Utilities Florida customers throughout the St. Johns River Water Management District.

I will send you and Catherine relevant portions of the Commission's Final Order as soon as it becomes available. It is always my pleasure to work with the District, and I look forward to our agencies' continued collaboration on water conservation issues in the future.

Sincerely,

Jennie Lingo
Economic Analyst
Bureau of Certification, Economics and Tariffs

/FJL

DOCUMENT NUMBER - DATE
03973 APR 29 08
FPSC-COMMISSION CLERK

Mr. Harold A. Wilkening, III, P.E.

Page 2

April 28, 2009

Cc: Division of Economic Regulation (Kummer, Stallcup)
Office of General Counsel (Brubaker, Jaeger, Fleming, Klancke, Saylor)
Office of Commission Clerk (docket file)

Mr. Kirby B. Green, III
Executive Director
St. Johns River Water Management District
4049 Reid Street
Palatka, FL 32177

Ms. Catherine A. Walker, P.E., M.B.A.
Director, Division of Water Use Regulation
St. Johns River Water Management District
4049 Reid Street
Palatka, FL 32177