

080709

June 26, 2009

RECEIVED-FPSC
09 JUL -6 AM 9:38
COMMISSION
CLERK

DIRECTOR, OFFICE OF COMMISSION CLERK
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: **Docket No. 080709-WS, Damon Utilities, Inc.**

We own a condo at Casa del Lago, 2835 Palo Verde Dr., Avon Park, FL 33825. We have always been charged fees for the over 6 months that we are **NOT IN RESIDENCE** there and believe this to be very unfair. We feel a nominal monthly maintenance fee for costs incurred would be more fair; this fee should be spread among their 278 customers.

Each month, we pay a water base facility charge of \$8.83 and a sewer base facility charge of \$16.59, even when we are not there from late April until the first week in November. This seems exorbitant and supplements Damon Utility considerably since there are many "snowbirds" among their 278 customers. So for six months, Damon is collecting \$152.52 from us when we are not there. To assess these costs among the many "snowbirds" who leave for the summer of the total 278 is free income, other than maintenance; for Damon Utilities.

If less than half leave for the summer, say just 100 customers for six months, that is an income for Damon of \$15,000. (prox.) each season. They should be made to justify these fees and their need for an increase in our water/sewer expenses.

This past season, the treatment plant was very noisy and annoying to nearby residents, so after complaints were made, the facility noise levels were decreased and this cost Damon. What did it cost them? What are the maintenance costs? The owners also turned on the lawn sprinklers during the heat of the day on their two condo units they are trying to sell; who is bearing this cost? Complaints by Casa residents were made and they quit the extra sprinkling of their sod areas around these two units. (The rest of the residents could only have weekly sprinkling due to the drought.)

WATER IS A VERY EXPENSIVE COMMODITY IN FLORIDA but we are urging your commission to be fair about this in your decision making. We are mostly pensioners on fixed incomes among their residents/customers and rate hikes are difficult to endure. We strongly oppose any increase in water/sewer rates; we feel Damon is gaining financially with so many "snowbirds" among the 278.

Sincerely,

A John Paulitch *Carolyn E Paulitch*

A. John Paulitch & Carolyn E. Paulitch, 10600 Sunset Drive, Atlanta MI 49709
(989) 785-3044

Copy: Damon Utilities

FPSC, CLK - CORRESPONDENCE
 Administrative Parties Consumer
DOCUMENT NO. 05298.09
DISTRIBUTION: ECRGU

DAMON UTILITIES INC. FL 334

47 LAKE DAMON DRIVE
AVON PARK, FLORIDA 33825
(863) 453-0773

Emergency Only 443-1561
PAULITCH-2835 Palo Verde Drive
Readings: 05/01/2009-05/31/2009
450.42 450.42

DATE:

Usage	0.00
Water	0.00
Base facility charge	8.83
Sewer	0.00
Base facility charge	16.59
Current charges	25.42
Balance Forward	(54.32)
Late Payment Fee	0.00
TOTAL DUE	(28.90)

*9 new month
w/penalty
there.*

Water \$6.77 Sewer \$6.77 - (Rates per 100 gals used)

RECEIVED-FPSC
09 JUN 26 PM 12:27
COMMISSION
CLERK

080709

DISTRIBUTION CENTER
09 JUN 26 AM 7:13

Bievers
2811 Palo Verde Way
Avon Park, FL 33825

June 21, 2009

contact@psc.state.fl.us

FPSC
Office of the Commission Clerk
2540 Shumad Oak Blvd.
Tallahassee, FL 32399

FPSC, CLK - CORRESPONDENCE
 Administrative Parties Consumer
DOCUMENT NO. 05298-09
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Re: Docket No. 080709-WS

To whom it may concern;

This letter is written in response to the proposed increase of water and wastewater rates. I am currently out of town and cannot attend the upcoming meeting at River Greens Clubhouse, so would like to voice my opinion in writing.

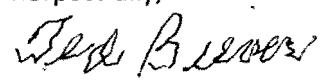
Please consider that this proposed increase is inconsistent with any cost of living increases that any of us Senior citizens have received accordingly on our fixed incomes. This unrealistic increase will cause undue hardship and affect other needed expenses adversely, if we are made to pay this significant increase.

As a member of the community and global world, we do our modest best to lessen the impact of our footprint in central Florida in every known way possible. We recycle, we are careful about use of electricity, fuel and water whenever and wherever possible.

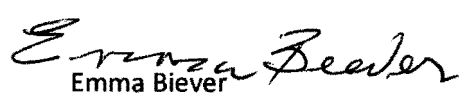
We expect that our elected officials are doing their best to also watch out for us but along with the increases in insurance, health care, medications and such, this type of increase would not reflect that intention, nor be in our best interest.

So, by way of this letter we ask; no we implore that you reconsider this increase prior to the staff vote on August 6 and Commissioners on August 18th. Please vote no for an increase.

Respectfully,



Ted Biever



Emma Biever

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

June 16, 2009

Mr. John O'Neill
 2837 Palo Verde Drive
 Avon Park, FL 33825

FPSC, CLK - CORRESPONDENCE		
<input type="checkbox"/> Administrative	<input type="checkbox"/> Parties	<input checked="" type="checkbox"/> Consumer
DOCUMENT NO. 05298-09		
DISTRIBUTION: _____		

RECEIVED-FPSC
 09 JUN 16 PM 2:38
 COMMISSION
 CLERK

Re: Docket No. 080709-WS - Application for a Staff Assisted Rate Case for water and wastewater rates by Damon Utilities, Inc.

Dear Mr. O'Neill:

Thank you for your e-mail dated June 10, 2009, in which you expressed your concerns about a rate increase by Damon Utilities, Inc. (Damon or Utility). To ensure that the Commission staff and the Commissioners have knowledge of your concerns, your e-mail has been placed on the correspondence side of the docket file for all to review.

I understand your concern regarding the payment of service when you are not in residence and this question is quite common. I would like to take this opportunity to explain why you are assessed charges even when you are away. The water lines that bring water to your home must be continually maintained to ensure they function properly everyday. The Utility faces costs to maintain the system and to ensure service is available whenever you turn on a faucet. While you may not require service every day of the year, service must be available at your demand. Most utilities, whether water, electric, or natural gas, operate the same way. A bill will be issued to the customer for a base charge that represents the costs necessary to maintain the system and meet its obligation to provide service whenever the customer requires it.

With respect to the development of rates, the Commission is required to set rates that are just, reasonable, compensatory, and not unfairly discriminatory. To determine the appropriate rates for service, the Commission uses a rate of return methodology as set forth in Chapter 367, Florida Statutes (F.S.). Under the rate of return methodology, a utility is allowed to earn a reasonable return on its prudently invested property that is used and useful in serving the public, less accrued depreciation plus an allowance for operating capital. This ratemaking process is used for all water and wastewater companies and is also used in the electric and gas industry. It is the same approach used throughout the country by various state and federal utility regulatory bodies.

Pursuant to Section 367.081(2), F.S., the Commission shall consider the cost of providing water and wastewater service, including debt interest, working capital, maintenance, depreciation, tax and operating expenses incurred in the operation of all property used and useful in public service. The Utility's rates are designed to recover, not only Damon's operating expenses, but also allow the Utility an opportunity to recover a fair rate of return on its

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Mr. John O'Neill
Page 2
June 16, 2009

investment used to provide water and wastewater service to its customers. The fair rate of return is established by the Commission when making the final decision on Damon's request.

There are many factors that affect the cost of providing service and hence, the rates charged to customers. Some factors affecting the cost of providing service include: the size and age of the utility system; the quality of the water at its source; the number of customers; and, the geographic spread of the service area. In addition, government-run water and wastewater utilities are not required to pay federal income taxes which can also impact the level of rates charged.

Presently, the Commission's accountants, engineers and economists are examining the financial and engineering information filed by Damon. The Commission's auditors have also examined the Utility's records and have published the results of their findings in an audit report. Ultimately, all costs found to be imprudent or unreasonable will be disallowed for recovery in the rates paid by customers.

Again, thank you for taking the time to share your concerns with us. Information provided by customers, such as yourself, is an important part of the Commission's review of this case. The Commission staff is tentatively scheduled to file its recommendation on August 6, 2009. The Commissioners are tentatively scheduled to vote on this matter at its August 18, 2009, Agenda Conference.

We understand your concerns regarding staff's preliminary proposed increase. I hope the above information has been helpful. If you have additional questions, or need further assistance, please contact me at (850) 413-6877 or e-mail me at lydia.roberts@psc.state.fl.us

Sincerely,



Lydia Roberts
Regulatory Analyst II

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Walden)
Office of General Counsel (Williams)
Office of Commission Clerk (Docket No.080709-WS)

Katie Ely

080709

From: Ruth McHargue
Sent: Thursday, June 11, 2009 1:58 PM
To: Katie Ely
Cc: Dorothy Menasco; Ann Cole; Cheryl Bulecza-Banks
Subject: FW: To CLK Docket 080709

Please add to docket file.

From: Consumer Contact
Sent: Thursday, June 11, 2009 1:41 PM
To: Ruth McHargue
Subject: To CLK Docket 080709

FPSC, CLK - CORRESPONDENCE		
<input type="checkbox"/> Administrative	<input type="checkbox"/> Parties	<input checked="" type="checkbox"/> Consumer
DOCUMENT NO. 05298-09		
DISTRIBUTION: ECR GCL		

From: OIrish912@aol.com [mailto:OIrish912@aol.com]
Sent: Thursday, June 11, 2009 12:38 PM
To: Consumer Contact; lp_wmc@yahoo.com; pauljc35@tnni.net
Subject: Proposed water rates increase Damon Utilities

Regarding docket number 080709-WS, I am John ONeill residing at 2837 Palo Verde Dr, Avon Park, FL 33825, this is my 2nd e-mail addressing the proposed increase in water rates regarding Damon Utilities, that I respectfully object to. Damon Utilities charges its seasonal water users a fee of approximately \$25.00 per month even though not one single drop of water is used. In most cases 6 months of fees and not one drop of water drawn as these seasonal residents are at their northern homes. Now they are asking to increase rates when the state of Florida is experiencing severe drought. When you look at this the seasonal residents are helping with water shortage by going north and the Damon utility is looking to penalize us. I firmly believe that the fee charged to remain connected to Damon while we are north should be discontinued and water rate increase of 3 or 4 percent more in line with nominal increases be considered. Best regards John ONeill

Dell Deals: Don't miss huge summer savings on popular laptops starting at \$449.

6/11/2009

Katie Ely

080709

From: Ruth McHargue
Sent: Wednesday, June 10, 2009 1:48 PM
To: Katie Ely
Cc: Dorothy Menasco; Ann Cole; Cheryl Bulecza-Banks
Subject: FW: To CLK Docket 080709-WS

Please add to docket file.

From: Consumer Contact
Sent: Wednesday, June 10, 2009 1:17 PM
To: Ruth McHargue
Subject: To CLK Docket 080709-WS

FPSC, CLK - CORRESPONDENCE		
<input type="checkbox"/> Administrative	<input type="checkbox"/> Parties	<input checked="" type="checkbox"/> Consumer
DOCUMENT NO. 05298.09		
DISTRIBUTION: FOR GU		

From: OIrish912@aol.com [mailto:OIrish912@aol.com]
Sent: Wednesday, June 10, 2009 10:30 AM
To: Consumer Contact; lp_wmc@yahoo.com; pauljc35@tnni.net
Subject: Damon Utilities proposed increase in water rates

Regarding docket number 080709-WS, I am John O'Neill residing at 2837 Palo Verde Dr Avon Park Fl 33825. I not only reject the idea of a proposed increase in water rates I protest the timing of the meetings to discuss this matter. These meetings would better serve the public if they were held October thru April. Many residents of this water district are seasonal and uninformed about potential increases until after the fact. I am requesting that the FPSC recommendation expected by Aug 6th be postponed until sometime in October and that the Commissioners vote on Aug 18th be postponed to October or after. Best regards John O'Neill

Dell Inspiron 15 Laptop: Now in 6 vibrant colors! Shop Dell's full line of laptops.

6/10/2009

080709

Florida Public Service Comm, 06/03/2009

Reference: Docket No. 080709-05, Damned Utilities

Gentlemen:
The Annual June meeting completely disregards "Sno Birds" and any comments re: Rate Increases -
Please use this message as our opposition to any increases at this time in our troubled economy.
We rely on the commissioners to represent the homeowners, namely Donald and Betty Le Blanc
210 W. LAKE TROUT DRIVE, AVON PARK, FL 33825

Thank you,
Donald Le Blanc
Betty Le Blanc



Mr. Don Le Blanc
210 W Lake Trout Dr
Avon Park, FL 33825-9258

COMMISSION
CLERK

09 JUN - 8 AM 9:36

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DOCUMENT NO. 05298-01
DISTRIBUTION: ECP-502



Mr. Don Le Blanc
210 W Lake Trout Dr
Avon Park, FL 33825-9258

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated May 2009. Copies of the report may be examined by interested members of the public from 8:00am to 4:00pm, Monday through Friday at the following location:

Damon Utilities, Inc.
47 Lake Damon Drive
Avon Park, Florida 33825

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Public Service Commission Staff will prepare a recommendation which is scheduled to be submitted to the Public Service Commission on August 6, 2009. The Public Service Commission will then vote on staff's recommendation at its August 18, 2009 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 the PAA order is issued to protest the Commission's proposed agency action 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. 080709-WS, Damon 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.

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09 JUN -8 AM 9:36
COMMISSION
CLERK

Residential and General Service Water Rates

<u>Base Facility Charge By Meter Size</u>	<u>Existing BFC Converted to a Monthly Rate</u>	<u>Preliminary Monthly Rate</u>
5/8" x 3/4"	\$8.83	10.42
3/4"	\$13.24	15.63
1"	\$22.09	26.05
1-1/2"	\$44.15	52.10
2"	\$70.84	83.36
3"	\$141.31	166.72
4"	\$220.78	260.50
6"	\$441.55	521.00
<u>Gallonge Charge</u>		
RS Gallonge charge (Per 1,000 gallons)	\$1.82	\$3.18
GS Gallonge charge (Per 1,000 gallons)	\$1.82	\$3.14

Residential Wastewater Rates

<u>Base Facility Charge By Meter Size</u>	<u>Existing BFC Converted to a Monthly Rate</u>	<u>Preliminary Monthly Rate</u>
All Meter Sizes	\$16.59	16.89
<u>Gallonge Charge</u>		
Per 1,000 gallons	\$6.77	\$6.81

General Service Wastewater Rates

<u>Base Facility Charge By Meter Size</u>	<u>Existing BFC Converted to a Monthly Rate</u>	<u>Preliminary Monthly Rate</u>
5/8" x 3/4"	\$16.59	16.89
3/4"	\$24.89	25.34
1"	\$41.48	42.23
1-1/2"	\$82.97	84.45
2"	\$132.73	135.12
3"	\$265.50	270.24
4"	\$414.84	422.25
6"	\$829.67	844.50
<u>Gallonge Charge</u>		
Per 1,000 gallons	\$8.11	\$8.17

080709

STATE OF FLORIDA

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



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

Public Service Commission

June 2, 2009

RECEIVED-FPSC
09 JUN -3 PM 3:05
COMMISSION
CLERK

Mr. Robert Streeter
2849 Palo Verde Drive
Avon Park, FL 33825

Re: Docket No. 080709-WS - Application for a Staff Assisted Rate Case for water and wastewater rates by Damon Utilities, Inc.

Dear Mr. Streeter:

Thank you for your letter dated May 28, 2009, in which you expressed your concerns about a rate increase petition by Damon Utilities, Inc. (Damon). To ensure that the Commission staff and the Commissioners have knowledge of your concerns, your letter has been placed on the correspondence side of the docket file for all to review.

With respect to the development of rates, the Commission is required to set rates that are just, reasonable, compensatory, and not unfairly discriminatory. To determine the appropriate rates for service, the Commission uses a rate of return methodology as set forth in Chapter 367, Florida Statutes (F.S.). Under the rate of return methodology, a utility is allowed to earn a reasonable return on its prudently invested property that is used and useful in serving the public, less accrued depreciation plus an allowance for operating capital. This ratemaking process is used for all water and wastewater companies and is also used in the electric and gas industry. It is the same approach used throughout the country by various state and federal utility regulatory bodies.

Pursuant to Section 367.081(2), F.S., the Commission shall consider the cost of providing water and wastewater service, including debt interest, working capital, maintenance, depreciation, tax and operating expenses incurred in the operation of all property used and useful in public service. The utility's rates are designed to recover, not only the utility's operating expenses, but also allow the utility an opportunity to recover a fair rate of return on its investment used to provide water and wastewater service to its customers. The fair rate of return is established by the Commission when making the final decision on the utility's request.

There are many factors that affect the cost of providing service and hence, the rates charged to customers. Some factors affecting the cost of providing service include: the size and age of the utility system; the quality of the water at its source; the number of customers; and, the geographic spread of the service area. In addition, government-run water and wastewater utilities are not required to pay federal income taxes which can also impact the level of rates charged.

FPSC, CLK - CORRESPONDENCE
<input type="checkbox"/> Administrative <input type="checkbox"/> Parties <input checked="" type="checkbox"/> Consumer
DOCUMENT NO. 052618-09
DISTRIBUTION: _____

Mr. Robert Streeter
Page 2
June 2, 2009

Presently, the Commission's accountants, engineers and economists are examining the financial and engineering information filed by Damon. The Commission's auditors have also examined the utility's records and have published the results of their findings in an audit report. Ultimately, all costs found to be imprudent or unreasonable will be disallowed for recovery in the rates paid by customers.

Again, thank you for taking the time to share your concerns with us. Information provided by customers, such as yourself, is an important part of the Commission's review of this case. The Commission staff is tentatively scheduled to file its recommendation on August 6, 2009. The Commissioners are tentatively scheduled to vote on this matter at its August 18, 2009, Agenda Conference.

We understand your concerns regarding staffs preliminary proposed increase. I hope the above information has been helpful. If you have additional questions, or need further assistance, please contact me at (850) 413-6878 or e-mail me at lydia.roberts@psc.state.fl.us

Sincerely,

A handwritten signature in black ink that reads "Lydia Roberts". The signature is written in a cursive style with a large, looping initial "L".

Lydia Roberts
Regulatory Analyst II

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Walden)
Office of General Counsel (Williams)
Office of Commission Clerk (Docket No.080709-WS)

080709

Robert E. Streeter
2849 Palo Verde Drive
Avon Park, FL 33825
863-201-9224
WineGolfer@hotmail.com

May 22, 2009

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

Reference: Docket No. 080709-WS
Damon Utilities, Inc.

CONSUMER
COMMISSION
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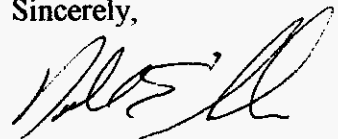
RECEIVED-FPSC
09 MAY 28 AM 8:45

Gentlemen:

I would like to take this opportunity, as I will be out of town on June 19, 2009, to voice my opposition to the proposed rate increase by Damon Utilities. The Residential and General Services water increase of 75% is absurd! I find it very hard to believe Damon Utilities costs have gone up 75%. Damon Utilities services mostly senior citizens, who are living on a fixed income, and this type of increase would be a hardship on all of us. A rate increase is probably in order but I would hope the Commission would lower the increase to something we can all live with.

Thank you for your time and I trust you will deny the proposed increase.

Sincerely,


Robert E. Streeter

DOCUMENT NUMBER-DATE
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