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STATE OF FLORIDA



OFFICE OF THE GENERAL COUNSEL
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(850) 413-6199

Public Service Commission

July 9, 2009

Honorable Sam Johnson, Chairman, District 5
Honorable Bob English, Commissioner, District 1
Honorable Randy Wilkinson, Commissioner, District 2
Honorable Ed Smith, Commissioner, District 3
Honorable Jean Reed, Commissioner, District 4
Board of County Commissioners, Polk County
330 West Church Street
Drawer BC01
P.O. Box 9005
Bartow, FL 33831-9005

RECEIVED-FPSC
09 JUL -9 PM 3:10
COMMISSION
CLERK

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 Chairman and Commissioners:

Thank you for your letter dated June 4, 2009, expressing concerns about the recent water and wastewater increases approved for the following Polk County systems owned and operated by Aqua Utilities Florida, Inc. (Aqua): Breeze Hill, Gibsonia Estates, Lake Gibson Estates, Orange Hill/Sugar Creek, Rosalie Oaks, and Village Water. In your letter, you request that the Commission reconsider its actions approving increased rates for these systems, especially for the Lake Gibson Estates system.

As you note in your letter, the Office of Public Counsel (OPC) and the Attorney General's Office (AG) intervened in this docket and actively participated throughout the proceeding. Both of these parties intervened to represent the interests of the utility's ratepayers. The Commission held ten service hearings throughout the state, specifically for the purpose of taking testimony from customers regarding their quality of service and Aqua's requested rate increase. One of those service hearings was held on July 8, 2008, in Lakeland, Polk County, Florida. The Commission also conducted a four day technical hearing in Tallahassee, at which the parties and intervenors provided testimony and other evidence regarding the appropriate rates for each of Aqua's systems.

In determining the appropriate rates, as required by Florida law, the Commission considered the revenue requirement for each system based on the investment used for the provision of public water and wastewater service, and the legitimate and prudent expenses incurred for providing service to the customers for that system. The Commission considered many different rate structures trying to balance affordability and the appropriate subsidization. The Commission based its decision on the

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Board of County Commissioners of Polk County
July 9, 2009
Page 2

evidence provided by the customers and parties, and the arguments presented in the parties' post-hearing briefs.

Pursuant to our rule on reconsideration, Rule 25-20.060, Florida Administrative Code, only parties to the case have standing to seek reconsideration. Since Pasco County was not a party, the Commission is not authorized to take action on your request.

While the Commission is acutely aware of the current economic conditions and the added burdens such increases place upon utility customers, reconsideration is not available under these circumstances. Your letter has been placed in the docket file for review by the Commissioners and public.

If you have any questions, or if I can be of any further assistance please contact me at 850-413-6199.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Brubaker". The signature is written in black ink and is positioned above the printed name and title.

Jennifer Brubaker
Attorney Supervisor

JB:jb

cc: Office of Public Counsel (Reilly)
Office of Attorney General (Bradley)
Aqua Utilities Florida, Inc. (May)