

**Dorothy Menasco**

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**From:** Tonya Simpson [TSimpson@RSBattorneys.com]  
**Sent:** Monday, August 31, 2009 2:33 PM  
**To:** Filings@psc.state.fl.us  
**Cc:** Erik Sayler  
**Subject:** PSC Docket No. 080695-WU; Peoples Water Service Company  
**Attachments:** \_0831143041\_001.pdf

- a. F. Marshall Deterding, Esquire  
Rose, Sundstrom & Bentley, LLP  
2548 Blairstone Pines Drive  
Tallahassee, FL 32301  
PHONE: 877-6555
- b. Peoples Water Service Company of Florida, Inc.; 2008 General Rate Increase Application  
PSC Docket No. 080695
- c. Peoples Water Service Company of Florida, Inc.
- d. One 1 page letter and 6 pages of attachments (7 total pages)

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8/31/2009

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August 31, 2009  
VIA E-FILE

Ann Cole, Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Peoples Water Service Company of Florida, Inc.; 2008 General Rate Increase Application  
PSC Docket No. 080695-WU  
Our File No. 31007.06

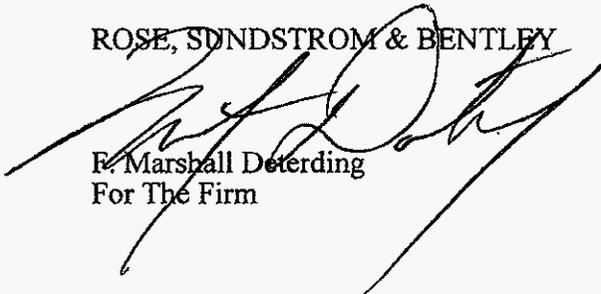
Dear Ms. Cole:

Attached in accordance with the requirements of Order No. PSC-09-0537-PCO-WU is an Affidavit of providing the Initial Customer Notice and Notice of Customer Meeting to all of the customers of the Utility.

Should you or any members of your staff have any questions in this regard, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY

  
F. Marshall Deterding  
For The Firm

FMD/tms  
cc: Erik Saylor

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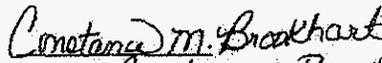
Affidavit

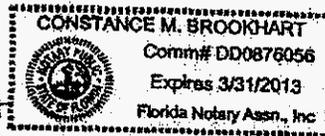
In accordance with Florida Public Service Commission vote in Docket No. 080695-WU at the agenda conference of July 14, 2009, we provided the attached Initial Customer Notice and Notice of Customer Meeting to all of the customers of Peoples Water Service Company of Florida, Inc. on July 27, 2009.

  
Mark Cross

STATE OF FLORIDA . . )  
COUNTY OF Escambia

The foregoing instrument was acknowledged before me this 4<sup>th</sup> day of August, 2009, by Frank Cross, who is personally known to me or who has produced \_\_\_\_\_ as identification.

  
Print Name Constance M. Brookhart  
Notary Public  
State of Florida at Large  
My Commission Expires: 3/31/2013



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BEFORE THE PUBLIC SERVICE COMMISSION

**INITIAL CUSTOMER NOTICE  
AND  
NOTICE OF CUSTOMER MEETING**

TO THE CUSTOMERS OF  
PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.  
AND  
ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 080695-WU

APPLICATION FOR GENERAL RATE INCREASE  
BY PEOPLES WATER SERVICE COMPANY OF FLORIDA, INC.  
IN ESCAMBIA COUNTY, FLORIDA

DATED: July 27, 2009

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the Application for an Increase in Rates of Peoples Water Service Company of Florida, Inc. (Utility). The meeting will be held at the following time and place:

6:00 p.m., Monday, August 24, 2009  
Pensacola Junior College  
Hagler Auditorium  
Building 2, Room 252  
1000 College Blvd.  
Pensacola, FL 32504

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 Florida Public Service Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all of the customers have been heard.

Any person requiring some accommodation at the customer meeting because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 hours prior to the meeting. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

**Emergency Cancellation of Customer Meeting**

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 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 Office of the General Counsel at 850-413-6199.

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## PURPOSE

The purpose of the meeting is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission staff regarding the quality of service the Utility provides and to ask questions, and comment on the rates included in this Notice as well as other issues. Commission staff will be available to address and coordinate customers' comments and to assist members of the public. A representative from the utility may also be in attendance. At the beginning of the meeting, procedures will be established for the order of comments. The Public Service Commission staff will have sign-up sheets, and customers will be called in the order that they sign up to speak.

## HOW TO CONTACT THE COMMISSION

Any person who wishes to comment or provide information to staff may do so at the meeting, either orally or in writing. Other written comments regarding the utility and the proposed rates, or requests to be placed on the mailing list for this case, may be directed to this address:

Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0870

All correspondence should refer to "Docket No. 080695-WU, Peoples Water Service Company of Florida, Inc." Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Public Service Commission's toll-free facsimile line at 1-800-511-0809 or the Commission's website available at <http://floridapsc.com/consumers/complaint/index.cfm>.

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Service, Safety and Consumer Assistance at the following toll-free number 1-800-342-3552.

## BACKGROUND

The Utility is a water utility whose corporate offices are located at 905 Lownde Avenue, Pensacola, Florida. The Utility's water facilities are located in Escambia County, Florida. As reported in its Minimum Filing Requirements (MFRs) filed with the Florida Public Service Commission (Commission) on May 20, 2009, the Utility's revenues per books are \$3,048,381 with operating expenses per books of \$2,973,748 for its water system, resulting in an operating income of \$74,633 for its water system, per books, before adjustments. The rate increase application has been filed by the Utility because the current rates are not adequate to generate revenues which allow the Utility the opportunity to earn a fair return on its investment in water plant and facilities.

Copies of the MFRs are available for inspection by members of the public at the following locations:

Peoples Water Service Company of Florida, Inc.  
905 Lownde Avenue  
Pensacola, Florida 32507

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

and

Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0870

A copy of the Utility's Petition and "Rate Case Synopsis" will also be available at the above addresses.

The test period for setting rates is the historical average twelve-month period ended December 31, 2008.

### CURRENT AND PROPOSED RATES AND CHARGES

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

	<u>Present Rates</u>	<u>Proposed Interim Rates</u>	<u>Approved Interim Rates</u>
<u>Residential Minimum Charges/Base Facility Charges</u>			
5/8" x 3/4" (3,000 gallon minimum)	\$10.05	\$11.27	\$11.02
1" (6,300 gallon minimum)	22.97	25.75	25.19
1 - 1/4" (8,800 gallon minimum)	32.76	36.72	35.92
1 - 1/2" (10,900 gallon minimum)	40.60	45.51	44.52
2" (30,500 gallon minimum)	107.41	120.40	117.78
3" (64,600 gallon minimum)	221.87	248.69	243.28
4" (132,800 gallon minimum)	450.81	505.31	494.31
6" (269,100 gallon minimum)	908.32	1,018.14	995.97
<u>Gallage Charges per 1,000 Gallons</u>			
First 3,000 gallons - included in minimum charge	\$10.05	\$11.27	\$11.02
Next 7,000 gallons in excess of minimum	3.91	4.38	4.29
Next 10,000 gallons in excess of minimum	3.47	3.89	3.80
All over 20,000 gallons per month	3.35	3.76	3.67
<u>General Service, Multi-Family, Public Authority, Hydrant Meters, &amp; Irrigation - Minimum Charges/Base Facility Charges</u>			
5/8" x 3/4" (3,000 gallon minimum)	\$10.05	\$11.27	\$11.02
1" (6,300 gallon minimum)	22.97	25.75	25.19
1 - 1/4" (8,800 gallon minimum)	32.76	36.72	35.92
1 - 1/2" (10,900 gallon minimum)	40.60	45.51	44.52
2" (30,500 gallon minimum)	107.41	120.40	117.78
3" (64,600 gallon minimum)	221.87	248.69	243.28
4" (132,800 gallon minimum)	450.81	505.31	494.31
6" (269,100 gallon minimum)	908.32	1,018.14	995.97

	<u>Present Rates</u>	<u>Proposed Interim Rates</u>	<u>Approved Interim Rates</u>
<b>Gallorage Charges per 1,000 Gallons</b>			
First 3,000 gallons - included in minimum charge	\$10.05	\$11.27	\$11.02
Next 7,000 gallons in excess of minimum	3.91	4.38	4.29
Next 10,000 gallons in excess of minimum	3.47	3.89	3.80
All over 20,000 gallons per month	3.35	3.76	3.67
<b><u>Fire Protection Service (Sprinklers and Private Fire Hydrants)</u></b>			
2" connection	\$12.78	\$14.33	\$14.01
3" connection	15.36	17.22	16.84
4" connection	19.59	21.96	21.48
6" connection	30.68	34.39	33.64
8" connection	51.17	57.36	56.11
10" connection	76.70	85.97	84.10

### **SCHEDULE OF PROPOSED FINAL RATES**

**Residential Minimum Charges/Base Facility Charges**

5/8" x 3/4" (3,000 gallon minimum)	\$11.31
1" (6,300 gallon minimum)	28.28
1 - 1/4" (8,800 gallon minimum)	39.59
1 - 1/2" (10,900 gallon minimum)	56.55
2" (30,500 gallon minimum)	90.48
3" (64,600 gallon minimum)	169.65
4" (132,800 gallon minimum)	282.75
6" (269,100 gallon minimum)	565.50

**Proposed Gallorage Charges**

Block 1 (First 7,000 gallons)	\$ 2.25
Block 2 (7,001 to 15,000 gallons)	3.38
Block 3 (15,001 to 20,000 gallons)	4.50
Block 4 (over 20,000 gallons)	6.75

**General Service, Multi-Family, Public Authority, Hydrant**

**Meters & Irrigation - Minimum Charges/Base Facility Charges**

5/8" x 3/4" (3,000 gallon minimum)	\$11.31
1" (6,300 gallon minimum)	28.28
1 - 1/4" (8,800 gallon minimum)	39.59
1 - 1/2" (10,900 gallon minimum)	56.55
2" (30,500 gallon minimum)	90.48
3" (64,600 gallon minimum)	169.65
4" (132,800 gallon minimum)	282.75
6" (269,100 gallon minimum)	565.50
8"	1,017.90
10"	1,639.95

Proposed Gallorage Charge per 1,000 Gallons	2.75
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Fire Protection Service (Sprinklers & Private Fire Hydrants)

2" connection	\$ 7.54
3" connection	14.14
4" connection	23.56
6" connection	47.13
8" connection	84.83
10" connection	136.66

**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 not requesting any changes to its miscellaneous service charges.

**PROCEDURES AFTER CUSTOMER MEETINGS**

In addition to the customer meeting described above, other important dates in the rate application are as follows:

<b><u>Schedule Item</u></b>	<b><u>Due Dates</u></b>
Staff Recommendation on Interim Rates	July 1, 2009*
Agenda Conference on Interim Rates	July 14, 2009*
Order on Interim Rates	August 3, 2009*
Customer Meeting	August 24, 2009
Staff's Audit Report	August 31, 2009
Staff's Proposed Agency Action (PAA) Recommendation	October 29, 2009
Agenda Conference on PAA Rates	November 10, 2009
PAA Order	November 30, 2009
Protest Period Expires	December 21, 2009

This notice was prepared by the Utility and approved by Commission Staff for distribution by the Utility to its customers.

\*Completed or expected to be completed by date of mailing.