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STATE OF FLORIDA



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

Public Service Commission

October 13, 2009

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COMMISSION
CLERK

Honorable John Legg
319 The Capital
402 South Monroe Street
Tallahassee, FL 32399

Re: Lindrick Service Corporation - Docket No. 090253-WS

Dear Representative Legg:

This letter is in response to your letter dated September 30, 2009, regarding Lindrick Service Corporation (Lindrick or Utility). In your letter, you had expressed specific concerns about Lindrick's proposed rate increase, its service quality, and management practices.

On April 29, 2009, Chairman Carter approved the Utility's request for a projected December 31, 2010 test year and required Lindrick to file its minimum filings requirements (MFRs) by August 29, 2009. The Utility was granted an extension later to file its MFRs by September 30, 2009. By letter dated September 30, 2009, to Chairman Carter, Lindrick stated, in pertinent part, the following:

Despite the Company's diligent efforts, it has not been able to complete compilation of its MFRs within the allotted time. The Company still intends to pursue its rate case before the Commission; however, it also wants to provide the Commission with the most current information available. Therefore, the Company is withdrawing its request for test year approval at this time, and will submit a new request for a test year approval in the near future.

(Emphasis added).

Based on the Utility's withdrawal of its approval test year, Docket No. 090253-WS will be closed. When Lindrick requests a new test year, another docket number will be assigned to process that new test year and rate relief request.

Once the Utility files its MFRs, the Commission staff will scrutinize Lindrick's request in great detail, including an examination of the Utility's books and records since the Commission last established its rate base, data requests asking for additional support documentation, and field inspections of Lindrick's water and wastewater facilities by staff engineers. Commission staff

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Honorable John Legg

Page 2

October 13, 2009

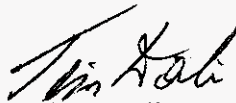
engineers will contact the Florida Department Environment Protection (DEP) to obtain pertinent information regarding Lindrick's compliance with the DEP rules. In accordance with Section 367.081(2)(a)1., Florida Statutes (F.S.), if the commission finds that a utility has failed to provide its customers with water or wastewater service that meets the standards promulgated by the DEP or the water management districts, the commission may reduce the utility's return on equity until the standards are met.

A customer meeting will also be held in the Utility's service area in order to gather customer input regarding the quality of service provided, Lindrick's interaction with its customers, and the Utility's proposed increase.

During these difficult economic times, any increase in customer bills creates more of a hardship. The Commission will fully evaluate Lindrick's future request to ensure that only reasonable and necessary costs are recovered from customers.

I hope you find the above information helpful. If you have any other questions, please let me know.

Sincerely,



Tim Devlin

Director, Division of Economic Regulation

TD/bf

cc: Division of Economic Regulation (Willis, Bulecza-Banks, Fletcher, Daniel, Mouring, Walden)
Office of General Counsel (Brubaker, Young)
Office of Commission Clerk (Docket No. 090253-WS)

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CONSUMER



090253-WS

COMMISSION
CLERK

THE FLORIDA HOUSE OF REPRESENTATIVES
STATE REPRESENTATIVE JOHN LEGG

District 46

LARRY CRETUL
Speaker of the House

RON REAGAN
Speaker pro tempore

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09 OCT -2 AM 7:23

September 30, 2009

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

Dear Florida Public Service Commission:

It has come to our attention that Lindrick Service Corp. has requested an approximate 60% rate increase for their New Port Richey service area. I am writing in opposition to the proposed rate increase requested by Lindrick Service Corp. Throughout the years, Lindrick has had a history of poor service and questionable management practices.

According to the filed docket, Lindrick has requested this rate increase in order to address costs associated with enhanced regulation, facility improvements, and rate of return adjustments. We believe the increased regulation and oversight required of Lindrick is due in part to their poor quality of service, frequent DEP and EPA consent orders, and fines. Lindrick's past poor management practices should not be supplemented at the expense of the rate payer.

With the looming Progress Energy rate hearing and more proposed utility rate increases to come, we must carefully scrutinize Lindrick's rate increase request in respect to their rates of return on investment and proposed capital expenditures. No matter how much people conserve, their bill will go up if this proposed rate hike is approved. Within the services areas of Lindrick, people can't go elsewhere for water; Lindrick is the only game in town. Our citizens are seeing their Social Security wages frozen and their investments tank while the cost of everything keeps going up - including utilities. Now is simply not the time for such a large rate increase. Over the next few weeks, our office will be reviewing the Lindrick docket with much scrutiny and we will subsequently submit our detailed concerns to the Public Service Commission (PSC).

It is my hope that the Commission will take into consideration the concerns of the people most impacted by the rate increases, the customers. If we can be of assistance or provide additional information, please do not hesitate to contact us.

Sincerely,

John Legg
State Representative, District 46

REPLY TO:

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819 The Capitol, 402 South Monroe Street, Tallahassee, Florida 32399 (850) 455-5522, FAX: (850) 635-4617

PreK-12 Policy Committee (Chair) - Policy Council (Vice Chair) - PreK-12 Appropriations Committee - Education Policy Council

DOCUMENT NUMBER-DATE

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