

Ruth Nettles

From: Trina Collins [TCollins@RSBattorneys.com]
Sent: Friday, January 15, 2010 1:25 PM
To: Filings@psc.state.fl.us
Cc: smlubertozzi@uiwater.com; keweeks@uiwater.com; pcflynn@uiwater.com; jdwilliams@uiwater.com; frankdenjup@att.net; dswain@milianswain.com; Jared Deason; Jennifer Brubaker; Martin Friedman; Christian W. Marcelli; Trina Collins
Subject: Filing in Docket No.: 090392-WS; Application of Utilities, Inc. of Pennbrooke for an Increase in Water and Wastewater Rates in Lake County, Florida
Importance: High
Attachments: PSC Clerk 08 (AOM Initial Customer Notice and Notice of Interim Rate Increase).ltr.pdf

- a. Martin S. Friedman, Esq.
Christian W. Marcelli, Esq.
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Sanlando Center
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Email: cmarcelli@rsbattorneys.com
- b. Docket No. 090392-WS; Application of Utilities, Inc. of Pennbrooke for an Increase in Water and Wastewater Rates in Lake County, Florida - Filing Utilities, Inc. of Pennbrooke's Notice of Filing the Affidavit of Mailing evidencing that the attached Initial Customer Notice and the Notice of Interim Rate Increase has been mailed to the Utility's customers.
- c. Utilities, Inc. of Pennbrooke
- d. 8 Pages.
- e. Letter to Commission Clerk - 1 page; Notice of Filing - 1 page; Affidavit of Mailing - 1 page; Initial Customer Notice and Notice of Interim Rates - 5 pages.

DOCUMENT NUMBER - DATE

00392 JAN 15 2010

FPSC-COMMISSION CLERK

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REPLY TO CENTRAL FLORIDA OFFICE

January 15, 2010

E-FILING

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BRIAN J. STREET

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Docket No.: 090392-WS; Application of Utilities, Inc. of Pennbrooke for an Increase in Water and Wastewater Rates in Lake County, Florida
Our File No. 30057.177

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket is Utilities, Inc. of Pennbrooke's Notice of Filing the Affidavit of Mailing evidencing that the attached Initial Customer Notice and the Notice of Interim Rate Increase has been mailed to the Utility's customers.

Should you or the Staff have any questions regarding this matter, please do not hesitate to give me a call.

Very truly yours,



CHRISTIAN W. MARCELLI
For the Firm

CWM/tlc
Enclosures

cc: Steven M. Lubertozzi, Executive Director of Regulatory Acctg and Affairs (w/encs.) (via e-mail)
Kirsten E. Weeks, Manager of Regulatory Accounting (w/enclosures) (via e-mail)
Patrick C. Flynn, Regional Director (w/enclosures) (via e-mail)
John Williams, Director of Governmental Affairs (w/enclosures) (via e-mail)
Mr. Frank Seidman (w/enclosures) (via e-mail)
Ms. Deborah Swain (w/enclosures) (via e-mail)
Jared Deason, Division of Economic Regulation (w/enclosures) (via e-mail)
Jennifer Brubaker, Esquire, Office of General Counsel (w/enclosures) (via e-mail)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
UTILITIES, INC. OF PENNBROOKE
for an increase in water and wastewater
rates in Lake County, Florida

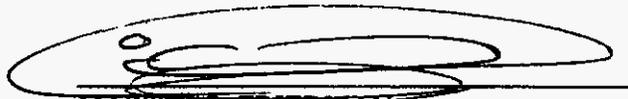
Docket No. 090392-WS

NOTICE OF FILING

Applicant, UTILITIES, INC. OF PENNBROOKE, by and through its undersigned attorneys, hereby gives notice of filing in the above-referenced docket the Affidavit of Mailing evidencing that the Initial Customer Notice and the Notice of Interim Rate Increase has been mailed to the customers of Utilities, Inc. of Pennbrooke.

Respectfully submitted this 15th day of
January, 2010, by:

ROSE, SUNDSTROM & BENTLEY, LLP
Sanlando Center
2180 W. State Road 434, Suite 2118
Longwood, FL 32799
Telephone: (407) 830-6331
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MARTIN S. FRIEDMAN
✓ CHRISTIAN W. MARCELLI
For the Firm

DOCUMENT NUMBER-DATE

00392 JAN 15 0

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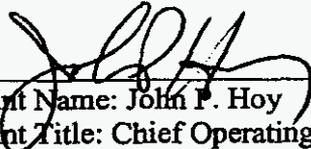
AFFIDAVIT OF MAILING

STATE OF ILLINOIS

COUNTY OF COOK

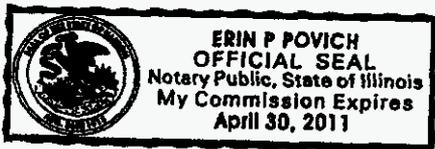
Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared John P. Hoy, who, after being duly sworn on oath, did depose on oath and say that he is the Chief Operating Officer of Utilities, Inc., the sole shareholder of Utilities, Inc. of Pennbrooke, and that on January 13, 2010, he did send by regular U.S. Mail, a copy of the Initial Customer Notice and the Notice Of Interim Rate Increase, attached hereto, to all customers of the utility.

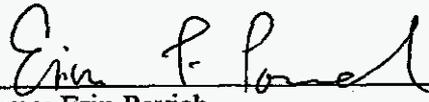
FURTHER AFFIANT SAYETH NAUGHT.



Print Name: John P. Hoy
Print Title: Chief Operating Officer

Sworn to and subscribed before me this 14th day of January 2010, by John P. Hoy, who is personally known to me.





Print Name: Erin Povich
NOTARY PUBLIC
My Commission Expires: April 30, 2011

DOCUMENT NUMBER-DATE
00392 JAN 15 2010
FPSC-COMMISSION CLERK

BEFORE THE PUBLIC SERVICE COMMISSION

**INITIAL CUSTOMER NOTICE
AND
NOTICE OF INTERIM RATE INCREASE**

TO THE CUSTOMERS OF
UTILITIES, INC. OF PENNBROOKE
AND
ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 090392-WS

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES
IN LAKE COUNTY, FLORIDA

January 13, 2010

BACKGROUND

Utilities, Inc. of Pennbrooke (the "Utility") is a water and wastewater utility whose corporate offices are located at 200 Weathersfield Avenue, Altamonte Springs, Florida. The Utility's water and wastewater facilities are located in Lake County, Florida.

On September 28, 2009, the Utility filed an application with the Florida Public Service Commission (the "Commission") for an increase in its water and wastewater rates, fees and charges applied to its customers in Lake County based on an historical test year ending December 31, 2008. Final rates and interim rates based upon the same test year. The application is assigned Docket No. 090392-WS and November 18, 2009, was established as the official date of filing.

The Utility is requesting a rate increase because the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and an opportunity to earn a fair return on the Utility's investment in used and useful property for the public use. The rate of return on equity requested in this proceeding is 11.13%. The overall return requested (the weighted cost of debt and equity) is 8.15%. According to the Utility's books, the Utility states that its current overall rate of return without a rate increase is negative 6.85%. The Company's last rate proceeding was in Docket No. 060258-SU, utilizing a test year ending December 31, 2005, which culminated in Order No. PSC-07-0535-AS-WS dated June 26, 2007.

The Utility has incurred substantial additional operating costs and capital investment. Copies of the MFRs, the Rate Case Synopsis, and the Utility's application will be available for inspection at the following locations:

Leesburg Public Library 204 N. 5 th Street Leesburg, FL 34748	Hours: Monday through Thursday 9:00 a.m. to 9:00 p.m. Friday 9:00 a.m. to 6:00 p.m. Saturday 9:00 a.m. to 5:00 p.m. Sunday 1:00 p.m. to 5:00 p.m.
Utilities, Inc. of Pennbrooke 200 Weathersfield Avenue Altamonte Springs, FL 32714	Office Hours: Monday through Friday 8:00 a.m. to 4:30 p.m.

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

The following tentative schedule was established by the Commission for the remaining major events in the Utility's rate case:

<u>Schedule Item</u>	<u>Due Date</u>
Staff Audit Report	12/14/2009
Customer Meeting	02/24/2010
Staff's Proposed Agency Action ("PAA") Recommendation	04/08/2010
Agenda Conference on PAA Rates	04/20/2010
PAA Order	05/10/2010
Protest Period Expires	05/31/2010

NOTICE OF INTERIM RATES, AND CURRENT AND PROPOSED CHARGES

On December 1, 2009, the Florida Public Service Commission approved interim water and wastewater rates for Utilities, Inc. of Pennbrooke. The interim rates will be effective January 18, 2010. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will include interest based upon Commission-determined factors.

The current rates, the Utility's requested interim rates, the Utility's requested final rates and the Commission approved interim rates are set forth below. The final rates are subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners.

WATER SERVICE

<u>Residential, General Service, Bulk Sales and Multi-Family Service</u> Monthly	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge By Meter Size:				
5/8" x 3/4"	\$5.20	\$7.82	\$8.87	\$7.51
1"	\$12.99	\$19.55	\$22.15	\$18.78
1 1/2"	\$25.97	\$39.08	\$44.29	\$37.54
2"	\$41.55	\$62.52	\$70.86	\$60.05
3"	\$83.10	\$125.03	\$141.72	\$120.11
4"	\$129.84	\$195.36	\$221.43	\$187.66
Consumption Charges - (per 1,000 gallons):				
Residential 0 - 10,000 gallons	\$1.76	\$2.65	\$3.00	\$2.54
Residential over 10,000 gallons	\$2.20	\$3.31	\$3.75	\$3.18
General Service	\$1.87	\$2.81	\$3.19	\$2.71
Irrigation Service	Present Rates	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim Rates
Base Facility Charge By Meter Size:				
5/8" x 3/4"	\$5.20	\$7.82	\$8.87	\$7.51
2"	\$41.55	\$62.52	\$70.86	\$60.05
3"	\$83.10	\$125.03	\$141.72	\$120.11
4"	\$129.84	\$195.36	\$221.43	\$187.66

WATER SERVICE (continued)

<u>Irrigation Service (continued)</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Consumption Charge - (per 1,000 gallons):				
Residential 0 - 10,000 gallons	\$1.76	\$2.65	\$3.00	\$2.54
Residential over 10,000 gallons	\$2.20	\$3.31	\$3.75	\$3.18
General Service	\$1.87	\$2.81	\$3.19	\$2.71

WASTEWATER SERVICE

<u>Residential Service Monthly</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base-Facility Charge - All meter sizes:	\$11.47	\$17.02	\$17.25	\$16.82
Residential Consumption charge - per 1,000 gallons (6,000 gallon cap)	3.57	\$5.30	\$5.37	\$5.24
<u>General Service</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge By Meter Size:				
5/8" x 3/4"	\$11.47	\$17.02	\$17.25	\$16.82
1"	\$28.69	\$42.56	\$43.14	\$42.08
1 1/2"	\$57.37	\$85.11	\$86.26	\$84.15
2"	\$91.77	\$136.14	\$137.98	\$134.62
3"	\$183.55	\$272.30	\$275.98	\$269.26
4"	\$286.81	\$425.48	\$431.24	\$420.72
General Service Gallonage Charge (per 1,000 gallons)	\$4.29	\$6.36	\$6.45	\$6.29

WASTEWATER SERVICE (continued)

<u>Reuse Service</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Reuse Service Consumption Charge - (per 1,000 gallons)	\$0.09	\$0.09	\$0.09	\$0.14

MISCELLANEOUS SERVICE CHARGES

The Utility is requesting approval of NSF Check Charges, which may be levied when a customer's check is dishonored by the customer's banking institution. The Utility requests authorization to collect the full amount authorized pursuant to Chapter 832, Florida Statutes.

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.

Written comments regarding the Utility's service or the requested final rate increases may be sent to the Commission at the following address:

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

All comments should refer to Docket No. 090392-WS, which is the docket number that has been assigned to this case. Complaints regarding service may be made to the Commission's Division of Regulatory Compliance and Consumer Assistance at the following toll-free number: 1-800-342-3552.

If you have any questions, please call the Utility's office at (800) 272-1919.

Utilities, Inc. of Pennbrooke