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STATE OF FLORIDA



MARSHALL WILLIS, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

March 22, 2010

RECEIVED-FPSC
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COMMISSION
CLERK

Ms. Sandy Seyffart
CWS Communities d/b/a Palm Valley Utilities
3700 Palm Valley Circle
Oviedo, FL 32765

Docket No. 090447-WS; Application for staff-assisted rate case in Seminole County by CWS Communities d/b/a Palm Valley Utilities

Dear Ms. Seyffart:

This will confirm that Commission Staff will hold a customer meeting at the Palm Valley Clubhouse on April 22, 2010, starting at 6:00 p.m. We ask that, if at all possible, you or another knowledgeable representative of the Utility attend the meeting in order to answer customer questions. The location of the meeting will be the:

Palm Valley Clubhouse
500 East Palm Valley Drive
Oviedo, FL

The original customer meeting notice is enclosed. Please note the date has been left blank so that you can fill in the date that the notice is sent to the customers. As required by Rule 25-22.0407(9)(b), Florida Administrative Code (F.A.C.), the utility shall provide, in writing, a customer meeting notice to all customers within its service area no less than 14 days and no more than 30 days prior to the date of a customer meeting. Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed.

Two copies of the staff report will subsequently be sent under a separate cover letter. When you receive the staff report, please ensure that a copy of the completed Application for Staff Assistance and the staff report are available for review, pursuant to Rule 25-22.0407(9)(b), F.A.C., by all interested persons at the following location:

DOCUMENT NUMBER CASE
02064 MAR 23 0
FPSC-COMMISSION CLERK

Rule 25-22.0407(9), Florida Administrative Code

(9) When a utility applies for a staff-assisted rate case in accordance with Section 367.0814, Florida Statutes, and Rule 25-30.455, F.A.C., and staff-assistance is granted, the requirements of subsections (2), (3), (4), and (5) of this rule shall not apply.

(a) Upon receipt of the staff reports, the utility shall place two copies of its application for staff-assistance and the staff reports at any business offices it has in its service area. Such copies shall be available for public inspection during the utility's regular business hours. If the utility does not have a business office in its service area, the utility shall place two copies of its application and the staff reports at the main county library, the local community center or other appropriate location that is within or most convenient to the service area and that is willing to accept and provide public access to the copies.

(b) No less than 14 days and no more than 30 days prior to the date of a customer meeting conducted by the Commission staff, the utility shall provide, in writing, a customer meeting notice to all customers within its service area and to all persons in the same service areas who have filed a written request for service or who have been provided a written estimate for service within the 12 calendar months prior to the month the petition is filed.

(c) The customer meeting notice shall be approved by the Commission staff prior to distribution and shall include the following:

1. The date the notice was issued;
2. The time, date, location, and purpose of the customer meeting;
3. A statement that the utility has applied for a staff-assisted rate case and the general reasons for doing so;
4. A statement of the location where copies of the application and the staff reports are available for public inspection and the times during which inspection may be made;
5. A comparison of current rates and charges and the proposed new rates and charges;
6. The utility's address, telephone number, and business hours;
7. A statement that written comments regarding utility service or the proposed rates and charges should be addressed to the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870, and that such comments should identify the docket number assigned to the proceeding;
8. A statement that complaints regarding service may be made to the Commission's Division of Service, Safety & Consumer Assistance at the following toll-free number: 1(800)342-3552.
9. A statement that the Commission will be reviewing the utility's service availability charges in the pending case and that the Commission may adjust those charges.
10. The docket number assigned by the Commission's Office of Commission Clerk.

(d) The customer meeting notice shall be mailed to the out-of-town address of all customers who have provided the utility with an out-of-town address.

(e) If the proposed agency action order issued in the case is protested and any hearings are subsequently held, the utility shall give notice in accordance with subsections (6) and (7) above.

DOCUMENT NO. DATE

02064-10 03/23/10
PSC - COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE OF CUSTOMER MEETING
TO THE CUSTOMERS OF CWS COMMUNITIES LP D/B/A PALM VALLEY UTILITIES
AND
ALL OTHER INTERESTED PERSONS
DOCKET NO. 090447-WS
APPLICATION OF CWS COMMUNITIES LP D/B/A PALM VALLEY UTILITIES
FOR A STAFF-ASSISTED RATE CASE IN
SEMINOLE COUNTY

Issued:

Notice is hereby given that the staff of the Florida Public Service Commission (Commission) will conduct a customer meeting to discuss the application of CWS Communities LP d/b/a Palm Valley Utilities (Palm Valley or Utility) for a staff-assisted rate case (SARC) in Seminole County to cover increasing costs and to earn a fair rate of return on its investment. The meeting will be held at the following time and place:

6:00 p.m., Thursday, April 22, 2010
Palm Valley Clubhouse
500 East Palm Valley Drive
Oviedo, FL

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

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 the 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 Commission's Office of the General Counsel at 850-413-6199.

Any person requiring some accommodation at the customer meeting(s) because of a physical impairment should call the Office of Commission Clerk at (850) 413-6770 at least five calendar days prior to the meeting(s). Any person who is hearing or speech impaired should contact the Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

PURPOSE

The purpose of this meeting is to give customers and other interested persons an opportunity to offer comments to Commission staff regarding the quality of service the utility provides, the proposed rate increase, and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will summarize Palm Valley's proposed filing, the preliminary work accomplished, and answer questions to the extent possible. A representative from the utility has also been invited to respond to questions.

At the beginning of the meeting, procedures will be established for the order of comments. Commission Staff will have sign-up sheets, and customers will be called to speak in the order that they sign-up. Staff will be available to coordinate customers' comments and to assist members of the public.

Any person who wishes to comment or provide information to staff may do so at the meetings, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Commission's toll-free facsimile line at 1-800-511-0809.

BACKGROUND

Palm Valley is a Class C utility providing water and wastewater service in Seminole County to 55 individually metered customers and one general service customer (641 unit mobile home park). This location is in the St. Johns River Water Management District (SJRWMD), all of which is considered a water use caution area. The Utility was granted Certificates Nos. 277-W and 223-S by Order No. 7518, issued November 22, 1976, in Docket No. 750660-WS. The certificates have been amended several times.¹ Also, the certificates have been transferred twice.² Palm Valley's 2008 annual report lists total gross revenues of \$170,904 for water and \$229,163 for wastewater with net income of \$10,934 for water and a net loss of \$95,378 for wastewater.

¹ See Order No. 9626, issued November 5, 1980, in Docket No. 7901519-WS; Order No. 12714, issued November 30, 1983, in Docket No. 830530-WS; Order No. 14480, issued June 18, 1985, in Docket No. 850040-WS; Order No. 23094, issued June 20, 1990, in Docket No. 900166-WS; and Order No. PSC-00-2243-PAA-WS, issued November 27, 2000, in Docket No. 001138-WS.

² See Order No. 16360, issued July 16, 1986, in Docket No. 860583-WS and Order No. PSC-00-1675-PAA-WS, issued September 19, 2000, in Docket No. 991984-WS.

CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. These rates are preliminary and subject to change based on information gathered at the customer meeting, further staff review, and the final decision by the Commission. The Commission will be reviewing the Utility's service availability charges in the pending case and may adjust those charges as well. The Utility's current, Commission-approved interim and staff's preliminary, rates and charges are as follows:

WATER RATES

	UTILITY'S EXISTING RATES	STAFF PRELIMINARY RECOMMENDED RATES
<u>Residential and General Service</u>		
Base Facility Charge by Meter Size:		
5/8"X3/4"	\$9.98	\$11.24
3/4"	\$14.98	\$16.86
1"	\$24.96	\$28.10
1-1/2"	\$49.91	\$56.20
2"	\$79.86	\$89.92
3"	\$159.72	\$179.84
4"	\$249.56	\$281.00
6"	\$499.11	\$562.00
Gallonage Charge Per 1,000 Gallons	\$2.40	\$2.70
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>		
3,000 Gallons	\$17.18	\$19.34
5,000 Gallons	\$21.98	\$24.74
10,000 Gallons	\$33.98	\$38.24

WASTEWATER RATES

	UTILITY'S EXISTING RATES	STAFF PRELIMINARY RECOMMENDED RATES
<u>Residential Service</u>		
Base Facility Charge All Meter Sizes	\$11.96	\$27.80
Gallonage Charge per 1,000 Gallons (6,000 Gallon cap)	\$4.24	\$10.45
<u>General Service</u>		
Base Facility Charge by Meter Size:		
5/8"X3/4"	\$11.96	\$27.80
3/4"	\$17.95	\$41.70
1"	\$29.92	\$69.50
1-1/2"	\$59.83	\$139.00
2"	\$95.73	\$222.40
3"	\$191.46	\$444.80
4"	\$299.15	\$695.00
6"	\$598.31	\$1390.00
Gallonage Charge Per 1,000 Gallons	\$5.08	\$12.54
<u>Irrigation Service</u>		
Gallonage Charge Per 1,000 Gallons	\$1.21	\$1.25
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>		
3,000 Gallons	\$24.68	\$59.15
5,000 Gallons	\$33.16	\$80.05
10,000 Gallons	\$37.40	\$90.50

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated April 1, 2010. Copies of the report may be examined by interested members of the public at the Utility's office during its business hours of 8:30 a.m. to 5:00 p.m., Monday through Friday at the following location:

CWS Communities d/b/a Palm Valley Utilities
3700 Palm Valley Circle
Oviedo, FL 32765
(407) 365-6651

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Commission staff will prepare a recommendation which is scheduled to be submitted to the Commission on June 3, 2010. The Commission will then vote on staff's recommendation at its June 15, 2010 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 that the PAA order is issued to protest the Commission's PAA 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. Also, detailed docket information is available on the PSC web site at www.floridapsc.com. You may obtain a copy of the recommendation and the order once they are filed by clicking on **Dockets and Filings/Dockets** and then typing in the docket number, **090447**.

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. 090447-WS, CWS Communities LP d/b/a Palm Valley Utilities." 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. This notice was prepared by Commission staff for distribution by the utility to its customers.