Commissioners: Art Graham, Chairman Lisa Polak Edgar Ronald A. Brisé Eduardo E. Balbis Julie I. Brown

# STATE OF FLORIDA

OFFICE OF PUBLIC INFORMATION ED-FPSC CYNTHIA L. MUIR DIRECTOR (850) 413-6482 11 SEP 27 PM 4: 40

> COMMISSION CLERK

FPSC, CLK CORKESPONDENCE

Administrative Parties Consumer

DOCUMENT NO. DE

DISTRIBUTION

### Public Service Commission

September 27, 2011

Mr. Frank Taldone 7221 Twin Eagle Lane Fort Myers, Florida 33912

Re: Docket No. 110153-SU – Utilities, Inc. of Eagle Ridge

Dear Mr. Taldone:

Thank you for your recent letter to the Florida Public Service Commission (PSC) in which you expressed concerns about the rate increase petition filed by Utilities, Inc. of Eagle Ridge (Eagle Ridge). I also appreciate your work with the homeowners association and know that you serve many of your neighbors as a board member. To give the Commissioners and staff an opportunity to review and understand your concerns, I have placed your letter on the correspondence side of the docket file.

As you know, the PSC held a customer meeting on September 14 to hear from customers about the proposed rate increase and service provided by Eagle Ridge. Customers provided comments at the meeting, and they can also submit written comments, which will now be included in the docket file. All customer comments will be reviewed when staff prepares its recommendation to the Commissioners on Eagle Ridge's proposed final rates.

Eagle Ridge's rate case request will be heard by the Commission at a Commission Conference on November 22. Commissioners will review the utility's need for a rate increase, the utility's existing and proposed rate structure, and the utility's ability to provide safe and reliable service to Eagle Ridge's customers.

You are entitled to receive safe, reliable utility service at reasonable rates, and the Commissioners are charged with making sure that companies in Florida, including Eagle Ridge, fulfill their service obligation. Thank you again for your letter, and if you have additional questions or need further assistance, please call our toll-free number, 1-800-342-3552.

Sincerely,

Bw DeMello

Bev DeMello Assistant Director

BSD/jmb

cc: Office of Commission Clerk

How Flor 9\_17-11 FAXED. 1800 511-0809

Application for increase in wastewater rates in Lee County by

### Utilities, Inc. of Eagle Ridge

DOCKET NO. 110153-SU

Name FRANK TALDONS Address 7221 Lone

Please submit your comments about this docket to the Florida Public Service Commission by completing this comment form and return it by mail, or send a fax to 1-800-511-0809. Correspondence will be placed in the file of this docket.

CONSUMER COMMENTS Toy what to loss rate to cover costs. A- DO LIKE Every BUSSING has done CUT back on house 8. 10 are Rotas at this Time 15 115026 INCREASES DAST 2 YRS. Reples 401 H er Joc A OF LIVING has deteration. Kaple Losie BANK OF AMERICA LAYING OFF 30,000 CH DUNG and Costs 10 LUDE ON S unter, 14010 AC hours being but IN The Timal Should NOT Δα Δινί IN/YU.GC Abur . alles SOMETHIN 604 TRACKING a Dro conomy 15 Are in the red. nove ZNCKOA

Any e-mail or other correspondence sent to a Florida Public Service Commissioner, or any other public official and/ or employee of the PSC, in the transaction of public business is considered a public record and is subject to Florida's Public Records Law. This means that Florida law generally requires the PSC to provide a copy of any such e-mail or correspondence, upon request, for inspection and copying to any Florida citizen or to any member of the media.

TO ALL ASC COMMISSIONORS, I'm the V.P. OF ORJE Ricks ASSOC, AND MY Follings AR Tett By MANY here,

14625 Aeries Way Drive Fort Myers, FL 33912

RECEIVED

**Governor Rick Scott** State of Florida, The Capitol 11 SEP -8 P. 3:29 **400 South Monroe Street** Tallahassee, FL 32399-0001

Dear Governor Scott.

I voted for you and I am glad you are our Governor. DISTRIBUTION:

The sewage plant that serves our subdivision (Eagle Ridge) and a neighboring subdivision, is asking for another rate increase of 24%!

COMMISS

CLERI.

I worked 40 years in the telephone industry and am now retired and receiving Social Security. The last two years there was no increase in Social Security benefits because the cost of living has not increased, they say.

PSC. ULN

Administrative Parties

MA TIM

In times of stable prices, I wonder why a sewage treatment company needs a 24% increase in their rates just 13 months after their last rate increase.

The Florida Public Service Commission is routinely scheduling a consumer meeting on September14th to discuss the application (Docket No. 110153-SU). They are stating that if no one from the public shows up at the meeting start time, the meeting will be adjourned and the proposed rates will go into effect.

Shouldn't the Commission do more than conduct public meetings? I would think that before they schedule a meeting, they would ask why does a company need a 24% increase in rates after only 13 months. I think an audit by a reputable Sewage Plant Operations Expert of this company would be in order, before routinely conducting a meeting for public comments. Utilities, Inc. must be doing something wrong and they need advice, not just a rate increase.

To me, a Public Service Commission should be looking out for the customers and doing all they can to keep rates down. I am already paying \$193 per year more for my sewer services than I do for wator. My sewer rates are already too high.

To continue blindly granting 24% rate increases year after year is wrong and needs to be fixed.

Sincerely yours,

Harry W. Gilbert

**Attached: The Commissions Customer Notice** 

Fastan Phillip Powers: Conservation Milalog of WA

RECEIVED

SFF 0 201

August 24, 201

n um

17 AUG 30 AMID: 18

### INITIAL CUSTOMER NOTICE AND NOTICE OF CUSTOMER MEETING

### TO THE CUSTOMERS OF UTILITIES, INC. OF EAGLE RIDGE AND ALL OTHER INTERESTED PERSONS

#### RE: DOCKET NO. 110153-SU

### APPLICATION FOR INCREASE IN WASTEWATER RATES IN LEE COUNTY BY UTILITIES, INC. OF EAGLE RIDGE

### AUGUST 15, 2011

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss Utilities, Inc. of Eagle Ridge's Application for a rate increase. The meeting will be held at the following time and place:

6:00 p.m., Wednesday, September 14, 2011 Edison State College Learning Resources Hall, Rm. 103, Bldg. J., Corbin Auditorium 8099 College Parkway Fort Myers, Florida 33919

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.

ŝ

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 increase, 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. Commission Staff will have sign-up sheets, and customers will be called in the order that they sign up to speak.

Pursuant to provisions of the Americans With Disabilities Act, any person requiring special accommodations to participate in this meeting because of a physical impairment should call the Office of Commission Clerk 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) or 1-800-955-8770 (Voice).



#### **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 at the bottom of the home page. Cancellation can also be confirmed by calling the Office of the General Counsel at 850-413-6199.

### How To Contact The Commission

Any person who wishes to comment or provide information to Commission Staff may do so at the meetings, either orally or in writing. Written comments may also be sent to this address:

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

#### BACKGROUND

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

The Utility filed an application with the Florida Public Service Commission (the "Commission") for increased wastewater rates for its Lee County customers on June 24, 2011. The application was assigned Docket No. 110153-SU and June 24, 2011 was established as the official date of filing.

As reported in its Minimum Filing Requirements ("MFRs") filed with its application to the Commission, the Utility's revenues per books are \$990,978.00, with operating expenses per books of \$922,662.00, for its wastewater system, resulting in a net operating profit of \$68,316.00, per books, before adjustments. The rate increase application has been filed by the Utility because of inadequate earnings.

Copies of the MFRs will be available for inspection at the following locations:

Fort Myers-Lee County Public Library 2050 Central Avenue Fort Myers, FL 33901	Office Hours: Monday thru Thursday 9:00 a.m. to 9:00 p.m. Friday and Saturday 9:00 a.m. to 6:00 p.m. Sunday (Closed)
<u>Utilities, Inc. of Eagle Ridge</u> 200	<u>Office Hours:</u>
Weathersfield Avenue Altamonte	Monday through Friday 8:00 a.m. to 4:30 p.m.

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

A "Rate Case Synopsis" will also be available, along with the application and MFRs. The test period for setting rates is the historical average thirteen-month period ended December 31, 2010.

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

Schedule Item Staff Audit Report Customer Meeting Staffs Proposed Agency Action ("PAA") Recommendation Commission Conference on PAA Rates PAA Order Protest Period Expires Consummating Order

Springs, FL 32714

i

Due Date September 6, 2011 September 14, 2011 November 9, 2011

November 22, 2011 December 12,2011 January 3, 2012 January 5, 2012

#### CURRENT AND PROPOSED CHARGES

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

Utilities, Inc	. of Eagle Ridge	
<u>Residential</u> (Monthly)	<u>Current</u> <u>Rates</u>	<u>Utility Requested</u> Final Rates
Base Facility Charge all Meter Sizes:	\$20.77	\$25.75
Gallonage Charge - Per 1,000 gallons (10,000 gallon cap)	\$4.75	\$5.89
Cross Creek Flat Rate	\$24.16	\$29.96

SFP 07 201 Malaina et N.A.

'[3/3]'

Eagle Ridge (Continued)		
(Monthly)		Utility Requested
Base Facility Charge by Meter Size:		
5/8" x 3/4"	\$20.77	\$25.75
1"	\$51.93	\$64.39
1 1/2"	\$103.86	\$128.78
2"	\$166.17	\$206.03
3"	\$332.35	\$412.08
49 - C	\$519.30	\$643.88
		\$1,287.77
Gallonage Charge (per 1,000 gallons)	\$5.71	\$7.08

#### 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. Even though not requested to do so, the Commission may review and adjust miscellaneous service 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. 110153-SU 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 Eagle Ridge



COMMISSIONERS: AR'I GRAHAM, CHAIRMAN LISA POLAK EDGAR RONALD A. BRISE EDUARDO E. BAI BIS JULIE I. BROWN

### STATE OF FLORIDA



Division of Safety, Reliability & Consumer Assistance Daniel M. Hoppe, Director (850) 413-6480

110153

### Jublic Service Commission

September 8, 2011

Mr. Harry W. Gilbert 14625 Aeries Way Drive Ft. Myers, FL 33912

FPSC, CLK CORRESPONDENCE Administrative Parties Consumer DOCUMENT NO. 05973-11 DISTRIBUTION:

RE: PSC Inquiry 1028215C

Dear Mr. Gilbert:

The Governor's office forwarded a copy of your correspondence regarding Utilities, Inc. of Eagle Ridge to the Florida Public Service Commission (PSC). The PSC regulates investor-owned electric, natural gas, and telecommunications utilities throughout Florida, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the PSC.

You expressed a concern about Utilities, Inc. of Eagle Ridge's application for an increase in wastewater rates in Lee County. We appreciate your comments regarding the petition and will add your correspondence to Docket No. 110153-SU.

If you have any questions or concerns please call Ellen PlendI at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Randy Roland Regulatory Program Administrator Division of Safety, Reliability & Consumer Assistance

RR:mep

COMMISSIONERS: ART GRAHAM, CHAIRMAN LISA POLAK EDGAR RONALD A. BRISÉ EDUARDO E. BALBIS JULIE I. BROWN

# STATE OF FLORIDA



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

11 SEP -2 AM 8: 39

COMMISSION CLERK

# Hublic Service Commission

September 1, 2011

Mr. Harry W. Gilbert 14625 Aeries Way Drive Fort Myers, FL 33912

The second s	CONSIGNATION OF A DESCRIPTION OF A DESCR	
FPSC, CLK		RESPONDENCE
Administrativ	e 🗌 P	arties Consumer
DOCUMENT	NO.	06973-11
DISTRIBUTIO	)N:	
AND DESCRIPTION OF A DE	STATISTICS OF TAXABLE PROPERTY.	

### Re: Utilities, Inc. of Eagle Ridge - Docket No. 110153-SU

Dear Mr. Gilbert:

Thank you for your recent letter. The letter has been placed on the correspondence side of the Utilities, Inc. of Eagle Ridge docket file for all to review.

If you wish, you may take an additional opportunity to voice your concerns regarding this matter at the customer meeting to be held on Wednesday, September 14th at 6:00 p.m. at the following location:

Edison State College Learning Resources Hall, Building J Corbin Auditorium, Room 103 8099 College Parkway Fort Myers, Florida 33919

If you have any additional questions, or require further assistance, please call me at (850) 413-6550 or e-mail me at <u>tbrown@psc.state.fl.us</u>.

Sincerely,

Todd Brown Regulatory Analyst IV

cc: Division of Economic Regulation (Maurey, Fletcher, Walden) Office of the General Counsel (Barrera) Office of Commission Clerk (Docket No. 110153-SU) Office of Public Counsel

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850 An Affirmative Action / Equal Opportunity Employer Commissioners: Art Graham, Chairman Lisa Polak Edgar Ronald A. Brisé Eduardo E. Balbis Julie I. Brown

### STATE OF FLORIDA



MARSHALL WILLIS, DI**HERTORE** WED-FPSC DIVISION OF ECONOMIC REGULATION (850) 413-6900

11 SEP -2 AM 8: 39

COMMISSION CLERK

## Hublic Service Commission

September 1, 2011

Mr. Harry W. Gilbert 14625 Aeries Way Drive Fort Myers, FL 33912

### Re: Utilities, Inc. of Eagle Ridge - Docket No. 110153-SU

Dear Mr. Gilbert:

Thank you for your recent letter. The letter has been placed on the correspondence side of the Utilities, Inc. of Eagle Ridge docket file for all to review.

If you wish, you may take an additional opportunity to voice your concerns regarding this matter at the customer meeting to be held on Wednesday, September 14th at 6:00 p.m. at the following location:

Edison State College Learning Resources Hall, Building J Corbin Auditorium, Room 103 8099 College Parkway Fort Myers, Florida 33919

If you have any additional questions, or require further assistance, please call me at (850) 413-6550 or e-mail me at <u>tbrown@psc.state.fl.us</u>.

Sincerely,

412

Todd Brown Regulatory Analyst IV

cc: Division of Economic Regulation (Maurey, Fletcher, Walden) Office of the General Counsel (Barrera) Office of Commission Clerk (Docket No. 110153-SU) Office of Public Counsel

	FPSC,	CLK	COR	RESPO	NDENCE
	Adm	inistrativ	e P	arties	Consumer
	DOCU	MENT	NO.	050	73-11
Color Day	DISTR	IBUTIC	DN:		

14625 Aeries Way Drive Fort Myers, FL 33912

August 27, 2011

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

CLK - CORRESPONDENCE Administrative Parties X Consumer MENT NO. C

I would like to submit the following comments regarding Docket No. 110153-SU:

I AM VERY CONCERNED THAT UTILITIES INC., OUR SEWAGE DISPOSAL UTILITY IN EAGLE RIDGE, IS ASKING FOR ANOTHER RATE INCREASE!

At a time when many of us are struggling to make ends meet, they want another increase, in spite of the fact that Utilities, Inc. just implemented a nearly 1% (0.74%) increase in their rates on June 17, 2011. I always look at both sides of a dispute, but they have given me no evidence that an increase is warranted. Their request is to increase the base (meter) charge and their gallonage charge, each by 24%.

The Social Security Administration has denied any increase to recipients 2 years in a row, declaring that the cost of living has not increased. Utilities, Inc. with their own statistics admit that they are now making a 6.9% profit at the current rates. Revenues: \$990,978, Expenses: \$922,662, Profit \$68,316. (See page 2 of the attached Notice.).

Since January 1st, I have paid \$128.45 more for sewage than for water. Our sewage rates are supposedly based on our metered water consumption. I have summarized my own water and sewage costs. Since January 1st, they are: Water: \$235.04, Sewer: \$363.49. Sewage disposal has cost an average of \$16.11 more monthly, than water. Utilities, Inc. has given no reason or basis for asking an additional 24% increase in their rates. I think Utilities, Inc. should submit a proposed budget for the upcoming year, showing why an increase is needed. Along with the proposed budget, they should submit a comparable budget showing actual expenditures for the current year, for comparison with the proposed budget.

There should be a correlation between expenses and rates.

Sincerely yours,

N. Siltar Tany

Harry W. Gilbert

Harry Gilbert Phone: 239-454-6633 hwgilbert@comcast.net



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

32399+0850

hiller hall determined and the ball of the second s

Commissioners: Art Graham, Chai Lisa Polak Edgar Ronald A. Brisé Eduardo E. Balbis Julie I. Brown	RMAN S	STATE OF FLORIDA	MARSHALL WILLIS, DIRE Division of Economic Reg (850)413-6900	CTOR ULATION
JULIE I. DROWN	Aublic	Serbice Com		CLEAN S. OD
		August 30, 2011	CLK - CORRESPON Calelstream TIF sties X	DENCE Consumer 3-11
Ms. Carol Ann 14910 America Fort Myers, Fl	an Eagle Court		TRANSFORM	and a state of the

### Re: Utilities, Inc. of Eagle Ridge - Docket No. 110153-SU

### Dear Ms. Arnold:

Thank you for your letter in which you expressed your concerns about a rate increase petition filed by Utilities, Inc. of Eagle Ridge (Eagle Ridge or Utility). To ensure that the Commission staff and the Commissioners have knowledge of your concerns, your letter has been placed on the correspondence side of the docket file for all to review.

With respect to the development of rates, the Commission is required to set rates that are just, reasonable, compensatory, and not unfairly discriminatory. To determine the appropriate rates for service, the Commission uses a rate of return methodology as set forth in Chapter 367, Florida Statutes (F.S.). Under the rate of return methodology, a utility is allowed to earn a reasonable return on its prudently invested property that is used and useful in serving the public, less accrued depreciation plus an allowance for operating capital. This ratemaking process is used for all water and wastewater companies and is also used in the electric and gas industry. It is the same approach used throughout the country by various state and federal utility regulatory bodies.

There are many factors that affect the cost of providing service and hence, the rates charged to customers. Some factors affecting the cost of providing service include: the size and age of the utility system; the quality of the water at its source; the number of customers; and the geographic spread of the service area. During a rate case, the Commission's accountants, engineers and economists examine the financial and engineering information filed by the Utility as part of its rate increase application. The Commission's auditors also examine this information and publish the results of their findings in an audit report. All costs found to be imprudent or unreasonable are disallowed.

We understand your concerns regarding the Utility's proposed increases. As part of its petition, Eagle Ridge requested an interim rate increase for its water rates. In accordance with Section 367.082, F.S., the Commission is required to process Interim Rate Requests within 60 days of the filing. The Commission is required to allow the collection of rates sufficient for the Utility to earn the minimum of its approved range of rate of return. As the time frame to process the interim request is 60 days, the statute dictates that the company need only make a prima facie showing that it is earning outside the allowed range of return established in the company's previous rate case. The interim rate increase is subject to refund, with interest based on the commercial paper rate, if the Commission finds that it is not warranted.

Ms. Carol Ann Arnold Page 2 August 30, 2011

If you wish, you may take an additional opportunity to voice your concerns regarding this matter at the customer meeting to be held in your service area. You will be receiving a notice from Eagle Ridge that provides information about the customer meeting.

The purpose of the customer meetings is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission regarding the quality of service the utility provides and the proposed rate increase. Customers will also be given the opportunity to ask questions and make comments on other issues. Commission staff will be available to respond to customers' comments and questions and provide assistance if necessary.

We understand your concerns regarding the Utility's proposed rate increase and recognize that during these difficult economic times any increase in your utility bill would create additional financial hardship. I hope the above information has been helpful. If you have any additional questions, or require further assistance, please call me at (850) 413-6550 or e-mail me at tbrown@psc.state.fl.us.

Sincerely,

addi

Todd Brown Regulatory Analyst IV

cc: Division of Economic Regulation (Maurey, Fletcher, Walden)
Office of the General Counsel (Barrera)
Office of Commission Clerk (Docket No. 110153-SU)
Office of Public Counsel

Commissioners: Art Graham, Chairman Lisa Polak Edgar Ronald A. Brisé Eduardo E. Balbis Julie I. Brown

### STATE OF FLORIDA



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

HECENED AN 9: 05

# Jublic Service Commission

August 30, 2011

Pat Verkler 7859 Cameron Circle Fort Myers, Florida 33912 FPSC, CLK - CORRESPONDENCE Administrative Denties [X] Consumer DOCUMENT NO. 05a13-11 DISCRUBUTION:

### Re: Utilities, Inc. of Eagle Ridge - Docket No. 110153-SU

Dear Pat Verkler:

Thank you for your letter in which you expressed your concerns about a rate increase petition filed by Utilities, Inc. of Eagle Ridge (Eagle Ridge or Utility). To ensure that the Commission staff and the Commissioners have knowledge of your concerns, your letter has been placed on the correspondence side of the docket file for all to review.

With respect to the development of rates, the Commission is required to set rates that are just, reasonable, compensatory, and not unfairly discriminatory. To determine the appropriate rates for service, the Commission uses a rate of return methodology as set forth in Chapter 367, Florida Statutes (F.S.). Under the rate of return methodology, a utility is allowed to earn a reasonable return on its prudently invested property that is used and useful in serving the public, less accrued depreciation plus an allowance for operating capital. This ratemaking process is used for all water and wastewater companies and is also used in the electric and gas industry. It is the same approach used throughout the country by various state and federal utility regulatory bodies.

There are many factors that affect the cost of providing service and hence, the rates charged to customers. Some factors affecting the cost of providing service include: the size and age of the utility system; the quality of the water at its source; the number of customers; and the geographic spread of the service area. During a rate case, the Commission's accountants, engineers and economists examine the financial and engineering information filed by the Utility as part of its rate increase application. The Commission's auditors also examine this information and publish the results of their findings in an audit report. All costs found to be imprudent or unreasonable are disallowed.

We understand your concerns regarding the Utility's proposed increases. As part of its petition, Eagle Ridge requested an interim rate increase for its water rates. In accordance with Section 367.082, F.S., the Commission is required to process Interim Rate Requests within 60 days of the filing. The Commission is required to allow the collection of rates sufficient for the Utility to earn the minimum of its approved range of rate of return. As the time frame to process the interim request is 60 days, the statute dictates that the company need only make a prima facie showing that it is earning outside the allowed range of return established in the company's previous rate case. The interim rate increase is subject to refund, with interest based on the commercial paper rate, if the Commission finds that it is not warranted.

PSC Website: http://www.floridapsc.com

Pat Verkler Page 2 August 30, 2011

If you wish, you may take an additional opportunity to voice your concerns regarding this matter at the customer meeting to be held in your service area. You will be receiving a notice from Eagle Ridge that provides information about the customer meeting.

The purpose of the customer meetings is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission regarding the quality of service the utility provides and the proposed rate increase. Customers will also be given the opportunity to ask questions and make comments on other issues. Commission staff will be available to respond to customers' comments and questions and provide assistance if necessary.

We understand your concerns regarding the Utility's proposed rate increase and recognize that during these difficult economic times any increase in your utility bill would create additional financial hardship. I hope the above information has been helpful. If you have any additional questions, or require further assistance, please call me at (850) 413-6550 or e-mail me at tbrown@psc.state.fl.us.

Sincerely,

Todd Brown Regulatory Analyst IV

cc: Division of Economic Regulation (Maurey, Fletcher, Walden) Office of the General Counsel (Barrera) Office of Commission Clerk (Docket No. 110153-SU) Office of Public Counsel COMMISSIONERS: ART GRAHAM, CHAIRMAN LISA POLAK EDGAR RONALD A. BRISÉ EDUARDO E. BALBIS JULIE I. BROWN STATE OF FLORIDA



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

## Hublic Service Commission

August 30, 2011 PPSC, CLK - CORRESPONDENCE CAdministrative [7] Parties M Consumer DOCUMENT NO. 05473-11 DISTRIBUTION:



### Re: Utilities, Inc. of Eagle Ridge - Docket No. 110153-SU

Dear Mr. Gilbert:

Mr. Harry W. Gilbert 14625 Aeries Way Drive

Fort Myers, Florida 33912

Thank you for your letter in which you expressed your concerns about a rate increase petition filed by Utilities, Inc. of Eagle Ridge (Eagle Ridge or Utility). To ensure that the Commission staff and the Commissioners have knowledge of your concerns, your letter has been placed on the correspondence side of the docket file for all to review.

With respect to the development of rates, the Commission is required to set rates that are just, reasonable, compensatory, and not unfairly discriminatory. To determine the appropriate rates for service, the Commission uses a rate of return methodology as set forth in Chapter 367, Florida Statutes (F.S.). Under the rate of return methodology, a utility is allowed to earn a reasonable return on its prudently invested property that is used and useful in serving the public, less accrued depreciation plus an allowance for operating capital. This ratemaking process is used for all water and wastewater companies and is also used in the electric and gas industry. It is the same approach used throughout the country by various state and federal utility regulatory bodies.

There are many factors that affect the cost of providing service and hence, the rates charged to customers. Some factors affecting the cost of providing service include: the size and age of the utility system; the quality of the water at its source; the number of customers; and the geographic spread of the service area. During a rate case, the Commission's accountants, engineers and economists examine the financial and engineering information filed by the Utility as part of its rate increase application. The Commission's auditors also examine this information and publish the results of their findings in an audit report. All costs found to be imprudent or unreasonable are disallowed.

We understand your concerns regarding the Utility's proposed increases. As part of its petition, Eagle Ridge requested an interim rate increase for its water rates. In accordance with Section 367.082, F.S., the Commission is required to process Interim Rate Requests within 60 days of the filing. The Commission is required to allow the collection of rates sufficient for the Utility to earn the minimum of its approved range of rate of return. As the time frame to process the interim request is 60 days, the statute dictates that the company need only make a prima facie showing that it is earning outside the allowed range of return established in the company's previous rate case. The interim rate increase is subject to refund, with interest based on the commercial paper rate, if the Commission finds that it is not warranted.

Page 2 August 30, 2011

If you wish, you may take an additional opportunity to voice your concerns regarding this matter at the customer meeting to be held in your service area. You will be receiving a notice from Eagle Ridge that provides information about the customer meeting.

The purpose of the customer meetings is to give customers and other interested persons an opportunity to offer comments to the Public Service Commission regarding the quality of service the utility provides and the proposed rate increase. Customers will also be given the opportunity to ask questions and make comments on other issues. Commission staff will be available to respond to customers' comments and questions and provide assistance if necessary.

We understand your concerns regarding the Utility's proposed rate increase and recognize that during these difficult economic times any increase in your utility bill would create additional financial hardship. I hope the above information has been helpful. If you have any additional questions, or require further assistance, please call me at (850) 413-6550 or e-mail me at tbrown@psc.state.fl.us.

Sincerely,

Todd Brown Regulatory Analyst IV

cc: Division of Economic Regulation (Maurey, Fletcher, Walden) Office of the General Counsel (Barrera) Office of Commission Clerk (Docket No. 110153-SU) Office of Public Counsel

1462	5 Aeries	s Way	Drive
Fort	Myers,	FL 339	12

August 24, 2011

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

	1
RECEIVED -FPSC	23
11 AUG 26 AM 10: 12	
COMMISSION	0
PPSC, CLK - CO	RESPONDENCE Prackes (A Consuster 06973-11
DOCUMENT NO DISTRIBUTION:	j.

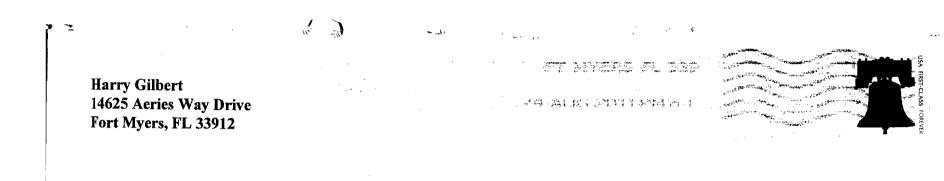
I would like to submit the following comments regarding Docket No. 110153-SU:

If Utilities, Inc. needs a 24% increase in their rates 13 mounts after their last increase, they must be doing something wrong. Has the Commission compared the rates of this company with the rates of other comparable companies? Could the Commission order an audit of this company's operations by a reputable Sewage Plant company to see what they could do to cut expenses. These rates are already too high and adding 24% more to these already high rates would be wrong.

We shouldn't continue granting increased rates year after year, without correcting what they are doing wrong.

Sincerely yours,

Hany M. Suttend Harry W. Gilbert



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

3239940450



Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd Tallahassee,FL. 32399-0850 RE: Docket # 110153-SU

FPSC, CLK - CORRESPONDENCE Administrative Parties Consumer DOCUMENT NO. 05013-11 DISTRIBUTION:

**RECEIVED-FPSC** 

11 AUG 25 AM 9:06

COMMISSION CLERK

Dear Sir/Madam,

8-18-11

We are in receipt of the request of increase for Utilities Inc of Eagle Ridge. The requested amounts though seemingly inconsequential are a request for 25% increase in a time and economy when all of us across the entire globe are facing the need to reduce spending. I cannot see any organization in this country that can justify any increase beyond the new version of the "cost of living" rates the Federal government has introduced as the new <u>standard</u> for America.

As servants of the people of the great State of Florida and facing the same spending challenges every other state entity has faced you will accordingly approve only a rate increase based on the "COLA" rates in effect for those on retirement income...

Thanks in advance for all your hard work and service to the people,

+ Villen Pat Verkler

7859 Cameron Circle

Fort Myers, FL. 33912

Tot Tricken Cerde JACKSONVILLE FL 322 22 ALKS 2011 FM 5 L Fort Jupes, Fl 33912

Office of Commession Clush Florida fublic Inice Commission 2540 Shermard Ook Blod Tallohassie, FL. 32399

32399\$7019

k.

### RECEIVED - FPSC

110153-SU

11 AUG 22 AM 8: 50

Carol Ann Arnold

14910 American Eagle Court, Fort Myers, Florida 33912 Home: 239-768-9244 Carolann5000@yahoo.com

M. La. Driver Colling 11 1105 22 11 8:10

COMMISSION CLERK

August 19, 2011

### CONSUMER

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

Re: Docket #110153-SU

To Whom It May Concern:

With regard to the notice to customers of Utilities, Inc. of Eagle Ridge, I wish to voice my displeasure with the proposed rate increase. No one seems to get that the economy is in the toilet, but everyone wants to raise rates, even though most of us have had no increase in income in the past 3 to 4 years. In fact, our income keeps going down, just like the economy. Where do you think the extra money is going to come from? It's not like any of us have a money tree in the backyard, or that we can just print the money we need like the Federal Government does.

Additionally, during the dry season when I have to add water to the swimming pool several times a month, you are getting a free ride on all that water because it does not go through the sewer system. So, there's no cost to you for those gallons. And, since there are hundreds, maybe even thousands, of swimming pools in the sewer district, that's a lot of free rides.

You are making a profit. Maybe it's not the profit you'd like to get, but I'm not getting the income I'd like to get, either. We're all in the same boat, except you have the advantage of having the government behind you in your quest for rate increases. I don't have that luxury. Unlike the government and regulated industries, I have to live on my income. That means, if my sewer bill goes up, I have to cut down somewhere else. Novel idea, right?

Among other things, you need to look at pay cuts, especially to your top executives, at layoffs, at waste, at frivolous spending, at any unnecessary expenses, and cut your budget below last year's budget, not increase it. You know it can be done, because there's always fat in every budget, including yours.

Sincerely,

and line and

Carol Ann Arnold

DOCUMENT NUMBER-DATE

FPSC-COMMISSION CLERK