

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of: DOCKET NO. 100330-WS

APPLICATION FOR INCREASE IN WATER/
WASTEWATER RATES IN ALACHUA,
BREVARD, DESOTO, HARDEE, HIGHLANDS,
LAKE, LEE, MARION, ORANGE, PALM
BEACH, PASCO, POLK, PUTNAM, SEMINOLE,
SUMTER, VOLUSIA, AND WASHINGTON
COUNTIES BY AQUA UTILITIES
FLORIDA, INC.

PROCEEDINGS: EUSTIS SERVICE HEARING

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER EDUARDO BALBIS

DATE: Tuesday, September 13, 2011

TIME: Commenced at 6:06 p.m.
Concluded at 9:07 p.m.

PLACE: Eustis Community Center
601 Northside Drive
Eustis, Florida

REPORTED BY: LINDA BOLES, RPR, CRR
Official FPSC Reporter
(850) 413-6734

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5 Florida, Inc.

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9 appearing on behalf of the Citizens of the State of
10 Florida.

11 RALPH JAEGER, ESQUIRE, FPSC General Counsel's
12 Office, 2540 Shumard Oak Boulevard, Tallahassee, Florida
13 32399-0850, appearing on behalf of the Florida Public
14 Service Commission Staff.

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P R O C E E D I N G S

1
2 **CHAIRMAN GRAHAM:** Good afternoon -- or, I'm
3 sorry, good evening. I want to thank, take a minute to
4 thank you all for coming. I know there's several things
5 that you could be doing on a Tuesday, Tuesday, Tuesday
6 evening. And I want to thank you all for coming out
7 here to participate in this service hearing.

8 My name is Art Graham, and I'm currently the
9 Chair of the Public Service Commission. First of all,
10 I've got to apologize for starting a couple of minutes
11 late. I got a little twisted in these roads. I think
12 they're doing some road construction out there.

13 But we're here specifically to hear comments
14 from you on the service that you're getting from Aqua
15 Utilities, how you feel about the quality of the
16 service, good or bad, how you feel about the customer
17 service, good or bad, how you feel about the rate you're
18 paying, good or bad. This all -- if -- when you came
19 in, you were given the opportunity to, to sign up to let
20 us know if you want to speak or not, and this will be
21 actually entered into the record for the actual rate
22 case.

23 With me, we have a panel from the Public
24 Service Commission. To my right is Commissioner Eduardo
25 Balbis, and to my left is Commissioner Ronald Brisé. We

1 also have Staff members with us. We have Ralph Jaeger,
2 we have Marshall Willis, and we have Andrew Maurey.

3 Now I guess to get started we need for Staff
4 to read the notice.

5 **MR. JAEGER:** Yes, Chairman. Notice, this time
6 and place has been set for a customer service hearing in
7 Docket Number 100330-WS, application for increase in
8 water and wastewater rates in Alachua, Brevard, DeSoto,
9 Hardee, Highlands, Lake, Lee, Marion, Orange, Palm
10 Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia,
11 and Washington Counties by Aqua Utilities Florida, Inc.

12 **CHAIRMAN GRAHAM:** Mr. Jaeger, do we have any
13 preliminary matters?

14 **MR. JAEGER:** None that I know of, Chairman.

15 **CHAIRMAN GRAHAM:** All right. Let's take
16 appearances to see which attorneys we have here.

17 **MR. MAY:** Good evening, Commissioners,
18 customers. My name is Bruce May. I'm with the law firm
19 of Holland & Knight. I represent Aqua Utilities
20 Florida. To my right is Mr. Rick Fox. Mr. Fox is the
21 President of Aqua Utilities Florida. And, Mr. Chairman,
22 at the appropriate time, Mr. Fox would like to make some
23 very brief introductory remarks.

24 **CHAIRMAN GRAHAM:** Sure.

25 **MR. MAY:** Thank you.

1 **MR. KELLY:** Mr. Chair, hi. Good evening,
2 folks. My name is J.R. Kelly. I'm with the Office of
3 Public Counsel. My office has the pleasure of
4 representing you, the ratepayers, in this matter. And,
5 Mr. Chair, at the appropriate time, I'd also like to
6 make a few brief remarks, please.

7 **CHAIRMAN GRAHAM:** Sure.

8 **MR. JAEGER:** And I'm Ralph Jaeger, Staff
9 counsel on behalf of Commission Staff.

10 **CHAIRMAN GRAHAM:** Do we have any other
11 attorneys of record here? Seeing none, okay. Also, I
12 am told that we have Senator Hays here. I did not see
13 him. Senator, are you here?

14 **SENATOR HAYS:** I'm back here.

15 **CHAIRMAN GRAHAM:** Senator, welcome.

16 **SENATOR HAYS:** Thank you.

17 **CHAIRMAN GRAHAM:** And thank you for coming.

18 **SENATOR HAYS:** Sure.

19 **CHAIRMAN GRAHAM:** Okay. We need to -- opening
20 comments. Okay. I think it's about time to have the
21 opening comments.

22 **MR. FOX:** May I turn around?

23 **CHAIRMAN GRAHAM:** Yes.

24 **MR. FOX:** Good evening. Good evening. My
25 name is Rick Fox, and I'm the President of Aqua

1 Utilities Florida.

2 Before I begin, we have some AUF employees
3 here with us tonight that will be available to answer
4 any service issues that customers may have. Present
5 tonight are Harry Householder, our Manager of Operations
6 statewide. And he's standing, if you want to see what
7 he looks like. Mr. Stacey Barnes, our Customer Field
8 Service Manager statewide. Tricia Williams, our head
9 Environmental Engineer for the State of Florida. And
10 also Will Fontaine, the Area Coordinator for this part
11 of the state. Some of these employees have computers
12 and have access to your accounts. So if you need to
13 address any issues with them, feel free to see them at
14 your convenience.

15 Commissioners, I want to thank you for the
16 opportunity to speak briefly tonight to customers in
17 Volusia, Lake, Sumter, and Orange Counties this evening.
18 But more importantly, thank you for giving us the chance
19 to listen to our customers and to hear what they have to
20 say. At the end of the day, we are a service company
21 and we value all customer input on the services we
22 provide.

23 We know that there's never a good time to ask
24 for an increase in rates. No one wants to pay more for
25 water or for electricity or for anything else for that

1 matter. Yet we also know that everybody wants and needs
2 and demands safe and reliable water service. That comes
3 with a cost and that's why we're here today. I want you
4 to understand that our rate case is fundamentally driven
5 by the improvements that we've made to our utility
6 systems. I would like to take just a minute and go over
7 some of those improvements.

8 Over the past three years Aqua has spent over
9 \$11 million on capital projects to comply with
10 environmental regulations, and to improve the water and
11 wastewater quality, service, and reliability for our
12 customers. For the water systems in Volusia and Lake
13 Counties, these improvements include the installation of
14 hydropneumatic tanks, valves, and automatic flushing
15 points, and the replacement of water mains. We've also
16 made upgrades to flow-paced chemical feed pumps and
17 motors.

18 For the wastewater plants in Volusia, Lake,
19 and Sumter Counties we've upgraded lift stations to
20 further improve the quality of the effluent leaving the
21 wastewater plants. For the wastewater systems in Lake
22 County we've upgraded collection lines and lift station
23 pumps to improve efficiency. At the wastewater
24 treatment plant we have rehabilitated concrete tanks,
25 rebuilt surge tanks, and replaced pumps and motors.

1 Last year in June and then again in September
2 we met with our customer, customers of the Tangerine
3 water system to discuss aesthetic water quality issues.
4 These aesthetic issues have been around long before Aqua
5 acquired the system and involve issues such as taste,
6 odor, and color of the water. I'm proud to say that we
7 have done something about these aesthetic concerns. For
8 example, we have installed additional treatment which
9 adds a sequestering agent to the water to improve the
10 aesthetic water quality. We've also installed water
11 mains to connect the dead-end lines and replaced and
12 upgraded water mains.

13 In addition, in response to a customer request
14 made during one of the meetings, AUF has installed a
15 fire hydrant to provide fire protection to the area. We
16 have also designed and implemented a comprehensive
17 directional flushing program in accordance with AWWA
18 standards.

19 Finally, I know that some of you in our Quail
20 Ridge system were inconvenienced by an unusual
21 electrical fire and pump failure last week. I want to
22 personally thank Mr. Frank Schweers from the homeowners
23 association for working so hard to put out the fire.
24 Within 30 minutes of being alerted to the fire, Aqua
25 personnel arrived on-site with an electrical generator

1 to test the equipment. After determining that the pump
2 was damaged beyond repair, we promptly secured a
3 replacement pump and installed it. Water service was
4 restored after 32 hours of outage. We tried to minimize
5 the inconvenience to our customers by providing two
6 cases of bottled water each to each household.

7 We understand that you as customers expect
8 water service to be reliable, reasonably priced, and
9 provided in an environmentally sound manner. I want you
10 to know that we're committed to meeting that
11 expectation. As I described at the beginning, the costs
12 that drive this rate case are directly related to the
13 infrastructure improvement projects which I described.

14 I know a lot of you want to speak, and we're
15 hear to listen. So I just wanted to thank you for
16 coming and taking time out of your day to be here. I
17 look forward to hearing what you have to say. And I
18 will be available after the meeting to answer any
19 questions that you may have. Thank you.

20 **CHAIRMAN GRAHAM:** Mr. Kelly.

21 **MR. KELLY:** Thank you, Mr. Chair. Good
22 evening. Again, my name is J.R. Kelly. As I said
23 earlier, I'm with the Office of Public Counsel. And our
24 office has the pleasure of representing you, the
25 ratepayers, in this matter against Aqua Utilities'

1 proposed rate increase.

2 For those of you that are not familiar with
3 our office, we are not part of the Public Service
4 Commission, but we're funded by the Legislature.
5 Senator Hays, the other senators, and the members of the
6 House of Representatives are all my bosses, and they
7 fund us separately and specifically to represent you in
8 matters that come in front of the Public Service
9 Commission.

10 We're here today because our office appealed
11 and protested the \$2.61 million annual rate increase
12 that was granted by the Public Service Commission a
13 couple of months ago. The bottom line is we do not feel
14 that that rate increase was justified based upon the
15 evidence presented in that matter, and we will be
16 presenting evidence on your behalf at the hearing that
17 will be in November.

18 I want to tell you real quickly some of the
19 issues that we're going to be arguing on your behalf.
20 First, quality of service. Not only do we believe that
21 Aqua's service is not satisfactory, we believe it is
22 unsatisfactory, and we're going to be presenting
23 evidence showing that. As a result of it being
24 unsatisfactory, we do not believe that Aqua Utilities
25 should receive a return on equity for their investment

1 at the same level that they would normally receive if
2 their service was satisfactory.

3 We're objecting to certain, what are
4 considered pro forma plant additions that would go into
5 their rate base. And the bottom line is anything that
6 goes into their rate base, they have an opportunity to
7 earn a return on it. You pay for that. There's certain
8 things that we do not believe belong in the rate base.

9 We're going to be arguing against certain
10 things on a basis called used and useful. The bottom
11 line is this, we don't believe that you, the ratepayers,
12 should pay for anything that is not 100% used by or
13 useful for you, the ratepayers.

14 We believe that Aqua has overstated the
15 revenues they're asking for based upon weather
16 conditions, billing errors, as well as current economic
17 conditions. A big issue in this case are going to be
18 what are considered affiliated charges and costs, and
19 those are things that Aqua pays to its parent out of
20 state in Pennsylvania. We do not believe they're
21 reasonable. In fact, we believe they are excessive and
22 we believe they should be totally eliminated from the
23 revenues they're requesting.

24 We're objecting to the amount of rate case
25 expense that Aqua is asking for, and we believe it to be

1 excessive. And finally, we're contesting that the rates
2 that Aqua's requesting to be generated by the revenues
3 are not affordable and do not meet the affordability,
4 affordability guidelines set forth in the past order
5 that was issued by the Public Service Commission.

6 We currently have some expert witnesses
7 engaged on your behalf. They're poring through
8 documents provided by Aqua. We're conducting discovery.
9 Our testimony will be filed later on this month, and
10 we're very happy with the level of, and the expertise of
11 the experts that we have hired.

12 Now, let's get to tonight. It is so vitally
13 important, folks, that you participate. I know I spoke
14 to a bunch of you coming in the door and you said, "I
15 don't want to speak." Folks, this is your opportunity.
16 A lot of you can't make it to Tallahassee.
17 Opportunities don't come into Tallahassee for you to
18 speak. This is your opportunity to share your voice,
19 your opinion with the Commissioners standing behind --
20 sitting behind me. Okay? Please, please exercise your
21 opportunity to testify today. It is so vitally
22 important. It doesn't make any difference what I say.
23 I'm not a customer of Aqua. I'm your attorney. They
24 need to hear from you, the customer. And all I ask is
25 this, when you come up, speak about the quality of

1 service that you receive from Aqua. I'm not asking you
2 to say anything that's not 100% the truth. What kind of
3 quality of service and quality of product do you receive
4 from Aqua? How was it in the past? How is it today?
5 Has it improved? Speak to the impact of the rate
6 increase on you, the affordability aspect. How is it
7 going to affect your lifestyle, your way of living? And
8 last, if you can, speak to the impact of the rate
9 increase to your community, the value of your homes,
10 your neighbors' homes, your communities, and how this
11 increase will impact the value of them.

12 The bottom line is, folks, just come up, be
13 truthful, speak from your heart, and these guys will
14 listen to what you have to say. And I can't thank you
15 enough for this great showing and how much you care
16 enough to come out tonight. So, please, take advantage
17 of this opportunity. Thank you.

18 **CHAIRMAN GRAHAM:** Thank you, Mr. Kelly.

19 As Mr. Kelly said, we realize up here that a
20 lot of you aren't used to speaking in public. Some of
21 you will feel a little nervous. Take your time. Please
22 be concise when you're up here. We're going to try to
23 limit everybody to five minutes, and that's because if
24 you have anything more, we want to hear, but we just
25 don't want for the last handful of people to be here for

1 five hours before they get the opportunity to speak. So
2 the first time through we'll try to limit everybody to
3 five minutes. If you weren't able to get everything you
4 want out, we'll let you come back up after everybody has
5 spoken and continue your thoughts. Or if you want to,
6 you can give them to us in a written form. But we just
7 want to move this process along so everybody is not here
8 until after midnight.

9 We'll take a ten-minute recess every two hours
10 because the court reporter's got to rest her little
11 fingers. But that being said, we want to hear from all
12 of you. We don't want you to feel intimidated. We want
13 you to tell us what's on your mind. But please be
14 respectful of the attorneys and things that are here,
15 and please hold back from no clapping or cheering or
16 booing. I know a lot of times people want to get
17 involved in that, but we just want to get through this
18 process as simply and as clean as we possibly can.

19 That all being said, all of those that are
20 here to speak, I need to ask you all to stand up and
21 raise your right hand so I can swear you in.

22 (Witnesses collectively sworn.)

23 Thank you very much. Public Counsel is going
24 to call you up here one at a time. I was just told that
25 we have this building until 10:00, so I think we should

1 have plenty of time to get through that.

2 That all being said, Mr. Kelly, you're on.

3 **MR. KELLY:** The first speaker is Ms. Nancy
4 Rusk.

5 Whereupon,

6 **NANCY RUSK**

7 was called as a witness on behalf of the Citizens of the
8 State of Florida and, having been duly sworn, testified
9 as follows:

10 **DIRECT STATEMENT**

11 **MS. RUSK:** Hi. I live in Tavares at the
12 Summit Chase Villas, and we've had an ongoing problem
13 with Aqua. We went for months, it was approximately a
14 year and a half without a bill. When we finally got
15 one, it was about \$58,000. We met with them several
16 times, and basically we were told to pay it. And we
17 did, we're paying it off like \$2,000 a month, and the
18 bill does not seem to get any smaller. I have a
19 statement here, the last one that we got. We, in fact,
20 have turned off our sprinklers to water our grass. We
21 get, for this effort, we get a bill last month with
22 1,245,000 gallons on it, and we never even turned on the
23 sprinklers. And this is only for our irrigation.

24 When we get this bill, they subtract out each
25 individual unit's charges to come up with the total

1 bill, which means we have no way of being sure that
2 their accounting is accurate. We don't know what each
3 one of us are paying. Why can't they bill us out of
4 this big bill?

5 This bill right now is \$36,868.20, and we've
6 been paying \$2,000 a month for months. Their bills are
7 inaccurate. This is outrageous. We never turned the
8 water on and this bill is 1,245,000 gallons. Somebody
9 explain that one to me and tell me that that's an honest
10 mistake.

11 **CHAIRMAN GRAHAM:** It's Ms. Rusk; is that
12 correct?

13 **MS. RUSK:** Yes.

14 **CHAIRMAN GRAHAM:** I guess I missed the
15 beginning part. This is an apartment complex?

16 **MS. RUSK:** It's a homeowners association.
17 It's like condos or villas, and there are only 60 units.

18 **CHAIRMAN GRAHAM:** So this is the, just for the
19 outside watering for 60 units.

20 **MS. RUSK:** We get several different bills
21 during the month, and this is only the bill for the
22 irrigation.

23 **CHAIRMAN GRAHAM:** Okay. I just wanted to make
24 sure that we're talking --

25 **MS. RUSK:** Each person gets their own personal

1 bill, which is subtracted out of this somehow through
2 their wizardry and then they come up with an amount. In
3 fact, I think they have to call us or handwrite it to
4 tell us what our bill is after they subtract that amount
5 out. This is a large company with businesses everywhere
6 and this is the way they do business?

7 **CHAIRMAN GRAHAM:** So that's the master bill
8 that you have there.

9 **MS. RUSK:** Yes.

10 **CHAIRMAN GRAHAM:** But that's divided by 60 and
11 everybody is paying their share.

12 **MS. RUSK:** No. Well, actually, no.

13 **CHAIRMAN GRAHAM:** Okay.

14 **MS. RUSK:** If you look on here, there's an
15 adjustment for the previous month for \$1,761.47. That
16 is the credit for the 60 units or however many units are
17 paid that come off of this bill.

18 **CHAIRMAN GRAHAM:** Okay. Is it possible for us
19 to get a copy of that bill?

20 **MS. RUSK:** Absolutely. You can have this one.

21 **CHAIRMAN GRAHAM:** Okay. I will take that,
22 ma'am. I thank you very much. And hold on just a
23 second. I think we have some questions for you.

24 **MS. RUSK:** Okay.

25 **CHAIRMAN GRAHAM:** Mr. May, we'll start with

1 you.

2 **EXAMINATION**

3 **BY MR. MAY:**

4 Q Ms. Rusk, I'm Bruce May representing Aqua.
5 Thank you for coming tonight.

6 A You're welcome.

7 Q I just wanted to clarify a couple of points.
8 The bill that you just provided, that's for the Summit
9 Chase Homeowners Association?

10 A Correct. It's only for the irrigation part of
11 it.

12 Q Are you familiar with a payment arrangement
13 agreement dated October 19th, 2010, signed by the
14 president of the Summit Chase Homeowners Association?

15 A I have, I have heard about it. Yes.

16 Q And the amount of the bill, the \$36,000
17 balance --

18 A Uh-huh.

19 Q -- that's reflective of three years of
20 irrigation service that you received without paying for
21 that; correct?

22 A That's not exactly correct because we did ask
23 numerous times for a bill. We never got one. As a
24 matter of fact, the, where the water comes out, the
25 valve where it's measured to be billed, it was broken

1 during all those months. That's how the bill got as big
2 as it was. We to this day do not know how much water we
3 used or whether their billing was accurate because that
4 gauge was broken for months. So I don't know how they
5 can charge us \$58,000 when they finally did get it fixed
6 when the numbers weren't turning.

7 **MR. MAY:** Mr. Chairman, with the Commission's
8 permission, I'd like to enter into the record as Exhibit
9 Number 19 the payment arrangement agreement dated
10 October 19th, 2010, between Aqua Utilities Florida and
11 Summit Chase Homeowners Association.

12 **MS. RUSK:** And what would you do if you were a
13 group of elderly people over 55, most of us on Social
14 Security? We're already paying about \$70 a month for
15 our individual bills, and this big company tells us
16 they're going to turn our water off. Would you not
17 enter into an agreement whether you thought it was right
18 or not and when no one would listen to you?

19 **CHAIRMAN GRAHAM:** Ms. Rusk, nobody is here
20 faulting you. We're just trying to get as much
21 information as possible.

22 **MS. RUSK:** I'm just trying to explain to you
23 why that agreement was entered into. It was under
24 duress.

25 **CHAIRMAN GRAHAM:** Okay. Let's, Mr. May, I'm

1 going to put Ms. Rusk's bill in first, so we'll use that
2 one down as Number 19. And we will call that -- what's
3 the subdivision name, ma'am?

4 **MS. RUSK:** Summit Chase.

5 **CHAIRMAN GRAHAM:** We'll call it Summer Chase.

6 **MS. RUSK:** Summit Chase.

7 **CHAIRMAN GRAHAM:** Summit Chase Irrigation
8 Bill.

9 (Exhibit 19 marked for identification.)

10 **MS. RUSK:** We've asked though repeatedly why
11 we have to have such a large pipe. We're being
12 changed -- charged around \$800 a month just because they
13 put in a 6-inch pipe, which they claim we had all along.
14 But, I mean, it's been such a confusing mess and there's
15 no way it's ever going to come out right. So that's why
16 we started making the payments because no matter how
17 much we talked to them, they had an excuse for
18 everything, and there was a reason we were paying \$800 a
19 month just because we had a 6-inch pipe. Whether any
20 water went through there or not, we had to pay that 800
21 and something dollars a month. We have turned our
22 irrigation off because of this. We can't afford it.
23 It's either water our grass, let it die, or don't eat.
24 When you've got to choose between eating and watering
25 your grass, which one are you going to choose?

1 **CHAIRMAN GRAHAM:** Mr. Kelly, did you have
2 anything?

3 **EXAMINATION**

4 **BY MR. KELLY:**

5 Q I just -- a clarification. You said,
6 Ms. Rusk, that you've now turned the irrigation off?

7 A Yes.

8 Q When did you -- when did y'all make the
9 decision to turn --

10 A Actually what we've been doing is if it rains,
11 we don't turn it on. And it's been months. Since I'm
12 not the president, I don't know exactly when we did it,
13 but I, I believe it's when we finally had to start
14 paying the \$2,000 a month that we literally shut it off
15 and then we would just turn it on basically as needed.
16 If we had no rain, we would turn it on. If we had rain,
17 it did not go on.

18 Q So if it's turned off -- and this bill that
19 you gave to the Chairman I believe stated current
20 charges due date September 12th for this gallonage.

21 A Correct.

22 Q You didn't even have irrigation turned on?

23 A No, sir.

24 Q And that's only, that's the only water you're
25 using for Summit Chase Homeowners?

1 A Yes.

2 Q Thank you.

3 A On this bill.

4 **CHAIRMAN GRAHAM:** All right. We have one more
5 question. We have one more question of Ms. Rusk.

6 Mr. May, we're going to put Summit Chase
7 Payment Plan, we'll put that down as Exhibit Number 20.

8 **MR. MAY:** Thank you.

9 (Exhibit 20 marked for identification.)

10 **COMMISSIONER BRISÉ:** Thank you, Mr. Chairman.

11 **MR. KELLY:** I'm sorry. With respect to that,
12 we'd just reserve any right to object once we get the
13 opportunity to review that exhibit.

14 **CHAIRMAN GRAHAM:** Yes.

15 **MR. KELLY:** Thank you, sir.

16 **COMMISSIONER BRISÉ:** Thank you, Ms. Rusk, for
17 your testimony here this afternoon. I just wanted a
18 little bit of clarification in terms of the time period
19 where you did not receive any bills. Were you receiving
20 bills prior to that period and you went through a long
21 period without receiving bills? Just so that I can
22 understand the situation.

23 **MS. RUSK:** We went through a long -- basically
24 what happened was they came in and did some work on the
25 pipes. I believe it was the overflow deal or whatever.

1 And then we went for months after they replaced that
2 6-inch pipe with no statement. And we kept calling
3 them. And they said, "Oh, don't worry about it.
4 We'll --" even, I don't even remember who they were
5 talking to, some lady at the office. She said, "Don't
6 worry. We'll get it fixed and we'll get it worked out."

7 Well, it went for months, and then I finally
8 found out that it was clogged with sand. And that's
9 when they fixed it and that's when we got the \$58,000
10 bill. I don't know how long it was, but it was, it was
11 a long time. It was months.

12 **COMMISSIONER BRISÉ:** Okay. Would you say it
13 was over six months or so?

14 **MS. RUSK:** Oh, yeah. At least a year and a
15 half, I would think.

16 **COMMISSIONER BRISÉ:** Okay. Thank you very
17 much.

18 **CHAIRMAN GRAHAM:** One more question.

19 **EXAMINATION**

20 **BY MR. JAEGER:**

21 **Q** Ms. Rusk, I'm Staff counsel, and I just want
22 to sort of get an idea of the setup. The individual
23 units are metered; is that correct?

24 **A** Correct.

25 **Q** Do you have like a master meter in the front

1 that comes in and then they subtract whatever?

2 A Correct.

3 Q And you don't have access to the individual
4 60 units, that's not provided to you by the --

5 A No. We asked them about that, and they said
6 that we would all have to sign disclosure forms or
7 something that we were allowing other people to look at
8 our information. I don't remember how that went
9 exactly.

10 Q Okay. But there's just one big master meter
11 in front.

12 A Correct.

13 Q Thank you.

14 **CHAIRMAN GRAHAM:** Thank you, Ms. Rusk. We
15 want to thank you for your time and thank you for coming
16 down today.

17 **MS. RUSK:** You're welcome.

18 **MR. KELLY:** The next, the next speaker is
19 Mr. Greg Andes.

20 **CHAIRMAN GRAHAM:** Sir, if I can get your name
21 and address for the record, please.

22 Whereupon,

23 **GREGORY ANDES**

24 was called as a witness on behalf of the Citizens of the
25 State of Florida and, having been duly sworn, testified

1 as follows:

2 **DIRECT STATEMENT**

3 **MR. ANDES:** Gregory Andes, A-N-D-E-S,
4 25101 Chipshot Court, Mount Plymouth Fairways, Fairways
5 at Mount Plymouth.

6 Anyway, Mr. Fox, Mr. May, Chairman,
7 Commissioners, I've got a lot, a lot to say. First, I
8 want to start by saying how long are you going to be
9 here? Are you willing to follow this through? I'll ask
10 the Chairman, are you going to be here for, to follow
11 this completely through? When is your term done?

12 **CHAIRMAN GRAHAM:** We're -- this will be done
13 before my term is over. So yes is the answer to your
14 question, sir.

15 **MR. ANDES:** Okay. I mean, I remember Ralph, I
16 remember Andrew. And we have a new CEO, we have new
17 Commissioners. That's my concern. We keep dominoing
18 and dominoing and dominoing until we get new
19 Commissioners, and then everybody in the audience that
20 keeps saying and hearing the same thing that has to
21 retell everything over again. I want it done in one
22 term. Okay? Your appointments are great.

23 I have noticed a rate increase over a year and
24 six months, maybe seven months of 223% and a little bit
25 of change. So under 224%. That's, that's atrocious.

1 You know, we have -- I have multiple bills. I was like,
2 okay, we'll check it out. I went to renters, friends in
3 other communities and I got their water bills. And I am
4 paying triple, sometimes even ten times more than some
5 of these water bills. And I'm talking about small
6 municipalities. I know you guys are from Tallahassee,
7 so you don't know every small community in the state.
8 I'm talking about Apopka, I'm talking about Mt. Dora,
9 I'm talking about Orange County. And they have just as
10 much water usage as I do, and I'm using 1,500 gallons.
11 And this is my most recent activity, my most recent
12 bill, 1,500 gallons including water and sewage, I am
13 paying 63.91. For the same 1,500 gallons a year, almost
14 a year, two years ago I was paying 28.43, okay, for
15 1,500 gallons. 1,500 gallons is 1,500 gallons no matter
16 how you look at it. Okay? A year and six months ago,
17 28.60. Now I see a lot of discrepancies there and I
18 have it in paper from where they've billed me.

19 I also have the average of other communities
20 that have the same amount of water close to mine, and
21 I'll just give you 1,521 gallons, \$7.09. That's just
22 for water. That's not including the sewer. Okay?
23 Then -- I'm missing one. But the, the water that I'm
24 seeing -- okay. Orange County, for 4,000 gallons is
25 \$11.92. You include the sewage to it, it's \$40.21.

1 Still that's \$24 under mine for almost three times the
2 amount of water -- 1,500, 4,000. And this is 4,000
3 gallons as far as that goes.

4 What I'm seeing with Aqua Utilities' meters --
5 and I don't know if it's just me or if it's just these
6 customers or if it's just an isolated incident with me.
7 I don't see -- I see every other community, Mt. Dora
8 included, using pens. Okay. They don't give you round
9 numbers like my water bill is 48,700 on the meter
10 reading. Okay? I always have two zeros at the end of
11 mine. So if I go -- let's just say for hypothetical
12 reasons I use 901 gallons. That makes it 1,000 gallons?

13 Florida, as we live in Florida, we're a
14 conservation state to begin with. With the nice lady
15 before me, one million gallons of water, that's a lot of
16 water. Okay? That's a Sea World. Y'all know what Sea
17 World is. That's a lot of water. That would raise red
18 flags anywhere.

19 We're conservationists in Florida. We have
20 natural wildlife refuges, we have a limited amount of
21 water, and we've got a -- when you see a bill going a
22 million gallons, come on, man. Use common sense, you
23 know.

24 Mr. Fox, this -- you've, you've been here how
25 long? Because the other guy, the other CEO was not

1 here. How long have you been with Aqua as a CEO?

2 **CHAIRMAN GRAHAM:** Sir, we just need to put
3 your statement on the record.

4 **MR. ANDES:** I'm getting to that, because I
5 don't want to have to keep telling him because the guy,
6 the last CEO that I, that I talked to took my phone
7 number and said, "I'll call you Monday," which was the
8 following day after -- it was November 1st, and he never
9 called me.

10 As far as I'm concerned, I'm military all the
11 way, retired, disabled, period. I'm on a fixed income
12 just like most of everybody in here. All right? I
13 don't have the pleasure of going and getting a job. All
14 right? I see a lot of things going on in this community
15 and other communities. We've got dual bills. That's
16 more paper than I know what to do with. Why do we have
17 two bills? Okay? Fix it. It takes software engineers
18 to fix two bills, put them into one. We're getting two
19 statements. That's a lot of paper waste. Okay?

20 And the last CEO, "Oh, we're working on a
21 system. We're doing a pilot program in New Jersey."
22 Still haven't seen no pilot program in Florida. Yeah.
23 And I'm emotional right now because I feel I'm being
24 gouged. And if, if, if water was like gas, which it
25 should be and is in time of disasters -- this is price

1 gougging. It's a federal offense and there are laws on
2 the books for it.

3 You know, most things -- I've got water
4 pressure problems all the time. Okay? I had to -- if
5 I -- the -- there are laws of physics. I don't know
6 everybody's laws. When you increase pressure or you
7 drop pressure, you're going to increase or diminish flow
8 and volume. Okay? I'm not a physics major. I just
9 know if you increase pressure, something is going to
10 increase, volume down the line. All right? A and B.

11 When I have to -- if my sprinklers are
12 working, which are at 2:00 a.m. in the morning, and I
13 wake up at 6:00 or 7:00 in the morning, they're shooting
14 out in the street. But when I set them during the day
15 they're hitting on target. Well, I've got six to
16 eight feet outside of my, outside of my water or my
17 range that I'm supposed to be setting it during the day.
18 I'm not waiting up until 2:00. I'm not watering --
19 because that's the best time to water and so it's more
20 efficient for your lawns. You understand?

21 I can see that there's plain as day, he says
22 there's a hydrostatic tank. Whoo. Well, it ain't
23 working properly at my place. I'm at the end of the
24 line. I have -- I've had -- I've spent \$60 of my own
25 money for filtration of my water. The EPA standards for

1 total dissolved solids is 900 -- or 500. Excuse me.
2 Now I have tested my water. The water that comes out of
3 my tap after my filtration is 25 to 32 TDS parts per
4 million, total dissolved solids. On a week's basis I
5 have tested my water and it has ranged from 270 to 490.
6 There's got to be somewhere in between that it stays
7 consistent.

8 **CHAIRMAN GRAHAM:** Sir, I need you to start
9 bringing your comments to a conclusion in about a
10 minute.

11 **MR. ANDES:** Okay. I will. The only thing I
12 can say to this whole Commission is, yeah, I'm emotional
13 about the whole situation because I want you to be on
14 this Commission or this whole docket for the, from start
15 to finish. I want it completed. Let us know, because I
16 feel that it's doing nothing but causing more problems.
17 You know, the last time I was here, it was at 10:00 a.m.
18 in the morning. Most people work. I seen Commissioners
19 or people in front of me sleeping, nodding their head,
20 having side jokes. Unprofessional. I want -- you guys
21 seem attentive, and I want you to see this through and
22 see that the customers of Florida and the people that
23 are depending on you and your decisions, that you make
24 the right decision and have a fair, impartial,
25 affordable, and reasonable increase or decrease to save

1 everybody that's on a fixed community [sic] of Aqua
2 Utility customers. Thank you.

3 **CHAIRMAN GRAHAM:** Hold on, sir, just a second.

4 Mr. May?

5 **MR. MAY:** No questions.

6 **CHAIRMAN GRAHAM:** Okay. Sir, thank you very
7 much for coming. Thank you for your time.

8 **MR. KELLY:** The next speaker is Ms. June
9 Longnecker.

10 **CHAIRMAN GRAHAM:** Welcome, Ms. Longnecker.
11 Whereupon,

12 **JUNE LONGNECKER**

13 was called as a witness on behalf of the Citizens of the
14 State of Florida and, having been duly sworn, testified
15 as follows:

16 **DIRECT STATEMENT**

17 **MS. LONGNECKER:** My name is June Longnecker.
18 I live in Scottish Highlands, which is a 55-plus
19 community on the other side of the lake. I personally
20 don't have any problems with Aqua water because I have a
21 well. We had a well drilled approximately two years
22 ago. It cost us about \$3,500. But as a result of that,
23 our monthly water bill is running around \$20. So I
24 don't have a problem.

25 A lot of people in my community have problems,

1 and I'd like to speak on their behalf because they
2 either couldn't, wouldn't, or were afraid to speak up.
3 There are four ladies in Scottish Highlands that came
4 forward, they had notices about their meters not
5 transmitting the number of gallons used. And this took
6 place over a period of six or seven months. All they
7 were transmitting was the basic meter charge, and they
8 paid, the ladies paid that. Unfortunately, it was a sad
9 coincidence that all four of these ladies are widows, a
10 couple of them fairly recent, whose husbands took care
11 of the bills.

12 They received a letter, and I have samples of
13 the letters. The letter said, "Dear customer, we are
14 writing to apologize for the enclosed bill which covers
15 232 days, from October 14th, 2010, to June 3rd, 2011.
16 This bill has accumulated due to an oversight on our
17 part." The accumulation of the bill for this particular
18 lady amounted to \$570.74.

19 The letter goes on to say, "We are willing to
20 make special payment arrangements with you if the amount
21 of the bill is more than you can afford to pay by
22 June 30th, 2011. If you would like to make payment
23 arrangements," and then it goes on to give a phone
24 number.

25 Two of the ladies called, at least two of them

1 called, and the response they received from the
2 individual on the line at 877-987 was a sarcastic,
3 "Well, you should have known you weren't paying the
4 right amount," or words to that effect. And two of the
5 three -- excuse me. Two of the four received shutoff
6 notices. One of the ladies is here tonight, and she
7 called and she made payment arrangements. And even
8 after she made payment arrangements she received a
9 shutoff notice. It's egregious.

10 In each instance the water use charges are
11 listed in three segments at different rates, different
12 water usage at different rates, and the rate changes are
13 reflected in this. And my question on that is how can
14 the user verify those calculations? Somehow if the
15 information wasn't being transmitted, who did their best
16 guess at what the water usage was?

17 And I'd like to share one particular example.
18 I visited, visited with this lady today and she has
19 ZipCheck. And ZipCheck is where Aqua automatically
20 debits her account. And just as a little for instance,
21 her April/May bill and what Aqua was supposed to be
22 doing, the automatic deduction, the April/May bill
23 includes a \$5 late charge. I thought you'd appreciate
24 that. The amount that this lady owed was
25 \$588.31 because her meter wasn't transmitting properly.

1 This amount was not charged to her account. August the
2 3rd, 2011, she received a bill for \$588.31, which was
3 the accumulated non-charge. August the 10th she got a
4 bill including the 588 for \$633.20. August the 10th she
5 received a shutoff notice effective the 23rd of August
6 saying she owed \$588.31. It went from 588 to 633 back
7 to 588. August the 19th she got a credit for 240 -- her
8 current bill is \$249.38 credit. \$651.39 was debited to
9 her account. I have copies of her bills.

10 And then we have three water users, one of
11 whom is here tonight, who had one-time spikes, one-time
12 water bill spikes. The lady who's present had a water
13 bill that took place over a period of ten to 14 days,
14 \$564.01. Two others are -- excuse me. Another lady
15 who's here this morning, \$428 one-time spike. And
16 another one, \$725.15. When these people call -- all but
17 the two ladies who are here tonight are older, I would
18 say easily intimidated, and when they call the
19 800-77 number and they get somebody who's a smart aleck
20 and sarcastic, and they get a notice that their water is
21 going to be shut off, they really don't know how to
22 react. They panic and sometimes pay the bill twice and
23 then have to try to get some money back from Aqua. Or a
24 friend pays the bill on their behalf because they think
25 they're having some difficulties.

1 I'd like to digress for just a bit. In
2 Mr. Fox's opening statements, he indicated that -- there
3 was much talk about upgrading and replacing equipment,
4 many, many kinds of equipment, STP equipment and water
5 delivery equipment. I have a question. Didn't Aqua
6 investigate these companies before they bought them?
7 They bought -- it sounds like in many instances they
8 bought a pig in the poke and were relying upon the
9 legislation as it's written in the State of Florida so
10 that they could recoup not only their costs but, what
11 was it, a reasonable return on equity? What is a
12 reasonable return on equity? Is that a theoretical
13 question?

14 I'd also like to address a little bit of
15 Greg's remarks. He talked about the increases. And we
16 have, we have received, in a period of two weeks we've
17 received two notices from Aqua, one in July and one in
18 early August. The most recent one -- I have, I have
19 both of them that apply to my area. And in July they
20 increased, effective the 1st of August, the water rates
21 went up from \$2.08 for the first 1,000 gallons for the
22 first 5,000 gallons. They changed the gallonage from
23 5,000 to 6,000. They changed the rate from \$2.08 to
24 \$3.59 a thousand. I tried to do the percentages today
25 but my math is fuzzy. So I just decided I'd skip the

1 fuzzy and skip the math, the percentages, and just tell
2 you what the dollar amounts were.

3 **CHAIRMAN GRAHAM:** Ms. Longnecker, I need you
4 to try to conclude in the next minute.

5 **MS. LONGNECKER:** Okay. Yes. The majority of
6 the users of Aqua Utility in this area, Lake County, are
7 55 years old or better, and when did we last get a
8 Social Security increase? Thank you. That's all.

9 **CHAIRMAN GRAHAM:** Ma'am, just hold on a
10 second.

11 Mr. May.

12 Ms. Longnecker, we have a question for you.

13 **EXAMINATION**

14 **BY MR. MAY:**

15 **Q** Ms. Longnecker, I'm Bruce May representing
16 Aqua. Thank you for coming this evening.

17 You had indicated that you're speaking on
18 behalf of four customers. Mr. Stacey Barnes is here
19 tonight -- and I don't know if you want to offer their
20 names. If not, Mr., Mr. Barnes is here tonight to talk
21 with them to go over their accounts on the estimated
22 bills that you --

23 **A** I can do that. Uh-huh.

24 **CHAIRMAN GRAHAM:** Ms. Longnecker, Ms.
25 Longnecker, we just have one more question for you.

1 **COMMISSIONER BALBIS:** Thank you. Excuse me.
2 Thank you, and thank you for coming. I appreciate the
3 specific information. That is the type of information
4 that -- is this thing on? Can you hear me at all?

5 **UNIDENTIFIED SPEAKER:** Move closer.

6 **UNIDENTIFIED SPEAKER:** We can't hear you.

7 **UNIDENTIFIED SPEAKER:** Is it on?

8 **COMMISSIONER BALBIS:** Okay. Is this better?

9 **UNIDENTIFIED SPEAKER:** Yes.

10 **COMMISSIONER BALBIS:** Thank you for the
11 specific information on the billing issues. And it
12 looks as if you have a copy of the letter from Aqua and
13 the bill. And if you have a copy of that or if you can
14 give us that, I mean, that's, that's really important to
15 us.

16 **MS. LONGNECKER:** I would like to make -- you
17 brought up the letter. I'd like to comment on the
18 letter. It is -- it says, "Dear customer." It is not
19 dated and it is not signed. And they're giving, they
20 were giving these ladies approximately three weeks to
21 come up with \$500.

22 **COMMISSIONER BALBIS:** Okay. And, again, if
23 you could give us a copy of that, that would be great.
24 And for the other customers that are here, I mean,
25 that's the type of information that we need, specific

1 information, so that we can take that into account as we
2 determine the service quality for Aqua Utilities. Thank
3 you.

4 **MS. LONGNECKER:** Could I, could I say one more
5 thing?

6 **CHAIRMAN GRAHAM:** Sure.

7 **MS. LONGNECKER:** Could I address the tiered
8 rate concept? As I understand it, the tiered rate is to
9 encourage conservation. And as Greg said, we are very
10 conservation oriented here in Florida. If it costs Aqua
11 \$3.59 a thousand to deliver water at the bottom tier and
12 they're going to get \$12.98 a thousand at the top tier,
13 why should Aqua benefit? Why shouldn't that money, if
14 it's punitive, go to the state instead of pure profit to
15 Aqua?

16 **CHAIRMAN GRAHAM:** Ma'am, ma'am,
17 Ms. Longnecker, we still have one more.

18 **MS. LONGNECKER:** Yes. I'm sorry.

19 **COMMISSIONER BRISÉ:** Thank you very much. As
20 my fellow Commissioner explained, your type of testimony
21 is extremely important because it's very detailed. But
22 you have a document which is sort of a summary of all
23 their bills. I am interested in seeing a copy of that
24 document. So if you can pass it to one of our Staff
25 persons so we can make copies of that so that we can

1 enter that into the record.

2 MS. LONGNECKER: Now?

3 CHAIRMAN GRAHAM: Now.

4 MS. LONGNECKER: Thank you.

5 CHAIRMAN GRAHAM: Senator Hays.

6 Whereupon,

7 **SENATOR ALAN HAYS**

8 was called as a witness on behalf of the Citizens of the
9 State of Florida and, having been duly sworn, testified
10 as follows:

11 **DIRECT STATEMENT**

12 **SENATOR HAYS:** Thank you, Chairman Graham.

13 And I'd like to personally thank each of you,
14 Commissioners, for being here. I don't recall the date,
15 but it was approximately two or three years ago when we
16 had our last hearing here in Eustis and only one
17 Commissioner showed up. And, folks, I would like for
18 y'all, each of you, please note none of these
19 Commissioners have horns or a forked tail or forked
20 tongue.

21 (Laughter.)

22 Okay? I was privileged to serve in the House
23 of Representatives with Commissioner Brisé, and it's
24 good to see you again, Ron.

25 **COMMISSIONER BRISÉ:** You too.

1 **SENATOR HAYS:** But I am really doing all I can
2 to act dignified and control my outrage at Aqua
3 Utilities. Mr. Fox, I've got to say one or two things
4 must apply to you: Either you are awfully brave or you
5 have no conscience, one of the two. But I don't know
6 how any businessman could conduct business the way this
7 company has been conducting business in this state and
8 show their face in public. I am absolutely sickened by
9 the performance of this company.

10 (Applause.)

11 This company has -- I didn't come here for
12 applause, folks. Thank you. But, you know, I, I am
13 absolutely outraged, and I'm not going to sit quietly by
14 and let it happen any longer. I am going to stop it, if
15 it's humanly possible. I will get my colleagues in the
16 Legislature to tie your hands so you can arrest those
17 people. One way or the other something has got -- this
18 is nothing but state-sanctioned extortion. This lady
19 right here -- where did she go?

20 **CHAIRMAN GRAHAM:** She's making copies.

21 **SENATOR HAYS:** She went to recover probably.
22 But I wanted to thank her publicly for being the
23 spokesperson for her neighbors. We need more people
24 like that, and we need a lot less companies like this
25 doing business in the State of Florida.

1 Unfortunately, your predecessor -- now that's
2 another point I need to make with these folks. None of
3 these Commissioners were present three years ago, so
4 it's, it's a problem that they have inherited. And it's
5 an ugly mess you have to fix. I don't envy you, but I'm
6 willing to work with you to help this thing get solved.

7 This idea, the very preposterous idea of
8 allowing that company to bill these customers for water
9 that they used when their equipment wasn't working is
10 absolutely outrageous. If your equipment don't work,
11 son, you're out of luck as far as I'm concerned, and you
12 dare not bill these people some wild number that you
13 pull out of the thin air. Huh-uh. Don't y'all dare
14 allow that. And if I have to put it in the statutes,
15 I'll do everything I can to get it in the statutes.

16 Now I don't want any of y'all going home
17 saying Alan is going to change the law. Alan can try,
18 and I will try. But I'm only one out of 160, so I may
19 not be successful, but it won't be because I didn't
20 fight for you. Yes siree.

21 They have no idea how much water runs through
22 that pipe if their equipment is broken. So if your
23 equipment is broken, you are out of luck as far as I'm
24 concerned. And you dare, you dare not let them get away
25 with that crooked stuff.

1 The poor condition of the equipment that these
2 people bought is their problem. If they didn't do their
3 due diligence before they bought the systems, then
4 that's their tough luck, and their investors ought to
5 hold them accountable. They out not be taking out their
6 stupidity on the people of Florida. That's all there is
7 to it.

8 Their, that company is the single source of
9 the most complaints from constituents that come to my
10 office, and it's just ripoff after ripoff after ripoff,
11 and I am sick and tired of hearing about it.

12 I need to know from you Commissioners and from
13 your legal Staff -- and J.R., thank you for being here.
14 The people don't, don't realize this little, bitty
15 fellow is a giant, and he's a good mouthpiece. Thanks
16 for your help. And I offer to help you in every way I
17 can. So you come and see me and we'll, we'll get it
18 done.

19 But I need to know what statutory changes do
20 you need so that you can stand without fear of rejection
21 to cut out this kind of nonsense? This is totally and
22 completely unacceptable in America, and I just, I just
23 am outraged by the whole thing. The conservation rates,
24 I have talked to you about that before, Chairman Graham.

25 **CHAIRMAN GRAHAM:** Yes, sir.

1 **SENATOR HAYS:** And I'm going to do everything
2 I can to stop that crap. It doesn't cost them any more
3 money to send 10,000 gallons through that pipe than it
4 does to send 2,000 gallons, except the amount of
5 electricity they pump it. They're extracting from the
6 State of Florida a free commodity called water. It's
7 absolutely essential to life. And you're allowing them
8 to rip the people of this state off, and it's got to
9 stop and y'all are the ones to stop it. Do I need to
10 make it any more clear than that?

11 **CHAIRMAN GRAHAM:** I think that's pretty clear,
12 sir.

13 (Applause.)

14 **SENATOR HAYS:** Once again --

15 **CHAIRMAN GRAHAM:** I'd just like to ask the
16 audience to please refrain from clapping.

17 **SENATOR HAYS:** The other thing is, as I said
18 again, these conservation rates must be stopped, and I
19 suspect there's going to be some statutory revisions to
20 do that. And, again, if their equipment is broken, they
21 are out of luck. Don't allow them to bill these people.

22 And there's, you know, you have heard from
23 these people already tonight. I apologize. I've got
24 another meeting I've got to go to. And I thank you for
25 hearing me, I thank you for being here. It does my

1 heart good to be able to stand in front of my
2 constituents and see fellow state workers that are here.
3 And these guys want to do the right thing. We just have
4 to nudge them along the way a little bit, you know. And
5 I'll do everything I can to help you as long as you're
6 going to help me stop this state-sanctioned extortion.
7 Any questions?

8 **CHAIRMAN GRAHAM:** Senator, number one, I want
9 to thank you for being here. It does mean a lot to both
10 this Commission and to, I'm sure, your constituents here
11 to see you here and fighting on their side. I would let
12 the constituents know, I know the Senator and one of
13 the Representatives have been working on some
14 legislation. Sir, I believe we have a workshop that's
15 set up for either the beginning of October -- I'm
16 sorry -- the end of October, the beginning of November.
17 But we'll get with your office and let you know the
18 specifics.

19 **MR. KELLY:** September 29th.

20 **CHAIRMAN GRAHAM:** That's, that's one that they
21 have in Orlando for Staff. There's another one that's
22 going to be for the Commissioners. But we'll get, we'll
23 get back to you on specific dates. And we'll do
24 everything we can to make sure that we point out the
25 legislation. It does, it does need to be changed so

1 basically our hands will be untied and we can fix some
2 of these problems.

3 **SENATOR HAYS:** Yes, sir. And one other thing
4 I would like to explain to the constituents, if I may.
5 This is a service hearing tonight for the express
6 purpose of hearing from the public. So, as you were
7 encouraged earlier, please stand up and speak up. The
8 technical hearing that's going to be held in Tallahassee
9 does not have an opportunity for public input. That's
10 the way the process is structured. So don't feel like
11 y'all are being excluded from the technical hearing, but
12 it's, it is what it is. So this is our opportunity for
13 all the constituents to be heard. And then if you're so
14 inclined to go to Tallahassee and listen to the
15 technical -- but you're on the web too, are you not?

16 **CHAIRMAN GRAHAM:** Yes, we are, sir.

17 **SENATOR HAYS:** So you can get it through a web
18 feed or perhaps WFSU, if Channel 24 in Orlando has it or
19 something like that. But there are ways -- it's not a
20 secret meeting at all. It's still a public meeting.
21 But that's the difference is a service hearing versus a
22 technical hearing. So, Mr. Chairman, again, I thank
23 you.

24 Yes, sir, Commissioner Brisé.

25 **COMMISSIONER BRISÉ:** Thank you, Senator Hays.

1 And I, and I want to thank you for coming out and being
2 supportive of your constituents, and going beyond just
3 being supportive and looking at how we can partner
4 together to address the challenges that we face as a
5 state with respect to water. Being a former colleague
6 of yours in the House, I recognize that there are huge
7 challenges that this state faces with respect to water.
8 And thank you for seeking to give us the appropriate
9 tools so that we can do as our mission requires for us
10 to provide reasonable rates that ensure that everyone
11 receives the quality of service that they deserve. So
12 thank you for your service.

13 **SENATOR HAYS:** Thank you very much. Okay.

14 **CHAIRMAN GRAHAM:** Mr. Kelly.

15 (Applause.)

16 **MR. KELLY:** The next speaker is John Barzyk.

17 Whereupon,

18 **JOHN BARZYK**

19 was called as a witness on behalf of the Citizens of the
20 State of Florida and, having been duly sworn, testified
21 as follows:

22 **DIRECT STATEMENT**

23 **MR. BARZYK:** I'm John Barzyk, and I'm a
24 resident of Scottish Highlands also, as Ms. Longnecker
25 is. And I'll be happy to calculate some of those

1 percentages that she didn't do.

2 Incidentally, Senator Hays' comments are those
3 that we've voiced for the last four years, and he, he
4 did an excellent job. He did a better job than any of
5 us and I hope you hear him better than you have us in
6 the past.

7 **CHAIRMAN GRAHAM:** That's why he's Senator.

8 **MR. BARZYK:** We're in the Scottish Highlands
9 community, which is part of the Silver Lake Western
10 Shores district, and we're subject to the water rate
11 band number 1. I've testified before this Commission on
12 several occasions over the last four years, and during
13 those times I've spent a lot of time preparing data that
14 I thought was pertinent to addressing these rate cases.

15 On two occasions I submitted over 200 letters
16 from Scottish Highlands objecting to these increases,
17 but they again unfortunately fell on, fell on, on deaf
18 ears. Because instead of doing anything good, the rates
19 were increased and we got the tier system, which is very
20 unfortunate. You'll be happy to hear that tonight my
21 comments are going to be brief, although I've got to
22 address the latest rate increases.

23 In 2009, just two years ago, my cost per 1,000
24 gallons of water was \$1.34. The base charge was \$7.79.
25 That's two years ago. After getting this latest

1 implemented increase of \$3.59 per 1,000 gallons last
2 month, here we are, Aqua is here again proposing the
3 rate be increased to \$6.49 per 1,000 and \$20.02 for the
4 hookup fee. I can't believe this hookup fee business.
5 We're going from \$7.79 to \$20.02. Initially they said
6 this charge was necessary for the new meters. How many
7 times do we have to pay for these new meters? Every
8 year? You know, even a sow backs away from the trough
9 after gouging itself.

10 Regarding the current rates, if these rates in
11 fact are implemented, it will represent an increase of
12 384%. The next two graduations which are difficult --
13 which are not difficult to reach, even if you do no lawn
14 watering, it's not difficult to use 10,000 gallons of
15 water in a household, hold on to your hats, those
16 increases from 9.73 and 12.98 in the last category per
17 1,000 gallons represent increases of 626% and 868%. Let
18 me repeat, 626 and 868%. I fail to see how you or any
19 member of the Public Service Commission could approve
20 anything like that, and yet you've done so in the past.

21 Now I realize that you have not sat on the
22 Commission during the last four years. You're starting
23 from scratch, so we can only judge you based on what
24 you're going to do from here on out. What we've had in
25 the past has not been very satisfactory opinions. Our

1 letters to the Governor and other government officials
2 have gone unanswered for the most part.

3 And I want to address Mr. Fox's comments
4 earlier. In fact, the number two speaker, and I don't
5 remember his name, he said he was willing to answer
6 questions and take telephone calls. I called his
7 predecessor two or three times in rate cases and I have
8 yet to hear from him. So I can't take Mr. Fox on his
9 word because his predecessor didn't do very well. And
10 based on what I'm hearing here tonight, he's not doing a
11 very good job either.

12 Even though you are appointed by the Governor
13 rather than being elected to office, I think you are all
14 charged with the responsibility to serve the people of
15 Florida in a manner that is just and reasonable. In my
16 opinion and that of countless others you have fallen
17 short. Starting today I would like to have you please
18 act in a way that would make us feel as if we have an
19 advocate in Tallahassee. That's the end of my comments.

20 (Applause.)

21 **CHAIRMAN GRAHAM:** You know, I've been patient
22 so far. We need for that clapping and the cheering to
23 stop.

24 **MR. BARZYK:** Does anybody have any questions?

25 **CHAIRMAN GRAHAM:** I mean, I want, I want to

1 hear everybody speak that's here. I don't want to clear
2 this out and make everybody give written comments. So
3 we need to be in a little bit of control. I understand
4 that some of the things are exciting, but please control
5 yourself.

6 Mr. Barzyk, just hold on a second.

7 Mr. May.

8 **MR. MAY:** No questions.

9 **CHAIRMAN GRAHAM:** Sir, thank you very much for
10 your testimony.

11 **MR. BARZYK:** You're welcome.

12 **MR. KELLY:** The next speaker is Esther Pierce.

13 Whereupon,

14 **ESTHER PIERCE**

15 was called as a witness on behalf of the Citizens of the
16 State of Florida and, having been duly sworn, testified
17 as follows:

18 **DIRECT STATEMENT**

19 **MS. PIERCE:** I'm about to have my second heart
20 attack.

21 (Laughter.)

22 **CHAIRMAN GRAHAM:** Ms. Pierce, welcome.

23 **MS. PIERCE:** Thank you. I don't know where to
24 begin. I'm not a speaker definitely.

25 I lived here in Florida for 40 some years

1 before I moved to Alabama, and at which time I lived
2 there for five years. And I fell and broke my back and
3 had to be super-glued a year ago. And because I was
4 alone, my husband has been gone for ten years, and I am
5 strictly on Social Security and my family lives here in
6 Florida, so I was forced to return. Excuse me.

7 **CHAIRMAN GRAHAM:** Take your time, ma'am.

8 **MS. PIERCE:** I moved in April. April and May
9 I got bills, which was quite reasonable. In June I
10 received a bill for \$564.01. That was what June
11 Longnecker was -- I was one of them from the Scottish
12 Highlands. Needless to say, it took me the rest of the
13 day to get control so I could call someone. And I made
14 the phone call to Aqua, and the young lady that I spoke
15 to told me that she was sorry but the bill had to be
16 paid. I asked how this could happen when I've been
17 getting reasonable, for two months reasonable bills, and
18 I'd lived here before and this had never happened to me?
19 She said she would send someone out to check it and she
20 did. And they said, "Sorry. You paid the bill." And
21 if I did not pay the bill, just like Ms. Longnecker,
22 June Longnecker said, I would be shut off. So there was
23 nothing to do but to pay the \$564.

24 I -- and the funniest part about it, and I
25 have to be very honest with you, my lawn man comes and

1 he noticed into two weeks of the month of the bill, the
2 June bill, that I had a small leak. He took it and
3 fixed it, and it was two little pinholes. And when I
4 called, I said, "My God, I could have filled
5 Olympic-sized pools for that kind of money." And so
6 anyway, I had to pay the bill of course.

7 And I've not had my water turned on since for
8 my irrigation, nothing, absolutely nothing. If I -- I
9 have a few flowers and I sprinkle with a hose. And, but
10 the gal asked me why did I turn the water off? And I
11 says, "Because we're starting to have the rains." So
12 that -- you know, she was not very courteous. And I
13 was, like I say, very upset, and even told her that I
14 about had a heart attack.

15 But I, I do feel that -- and I went back and
16 checked my Alabama bills, my water bills, and at a time
17 when I had company my water bill was \$47, and that
18 included garbage, and that was the highest bill in five
19 years. So I moved here for my health and my children
20 and I can't afford this. And I think -- I feel so sad
21 for these other people that are on fixed incomes as I
22 am. Something has got to be done. Something serious
23 has got to be done. Thank you so much for this.

24 **CHAIRMAN GRAHAM:** Ms. Pierce, I want to, I
25 want to thank you for coming down to speak to us today.

1 **MS. PIERCE:** Thank you.

2 **CHAIRMAN GRAHAM:** And if you'll hold on for
3 just a second. Let's see if --

4 **MS. PIERCE:** I'm sorry.

5 **EXAMINATION**

6 **BY MR. MAY:**

7 **Q** Ms. Pierce, thank you so much for coming this
8 evening. As I indicated earlier, Mr. Stacey Barnes, he
9 has --

10 **MR. KELLY:** Your mike is off.

11 **UNIDENTIFIED SPEAKER:** Can't hear you.

12 **CHAIRMAN GRAHAM:** You've got to speak into the
13 mike.

14 **BY MR. MAY:**

15 **Q** Ms. Pierce, as I indicated earlier, Mr. Stacey
16 Barnes, I think he's standing up in the back, he has a
17 computer and he can access your account tonight to go
18 over that. The company has what's called a leak
19 adjustment policy, and he'll be glad to talk with you
20 about that. I don't know if you've discussed that with
21 anyone at Aqua. But if you haven't, he's here tonight
22 to go over that with you.

23 **A** Well, I, except for when I complained about
24 the bill, yes. But that was for 12 to 14 days, that's
25 all, for two little pinholes. And my yard man is, if

1 you would like to speak to him, he fixed it. If you'd
2 like to speak to him, you know -- and I should have
3 called him to be here tonight, but I didn't.

4 **CHAIRMAN GRAHAM:** We believe you, Ms. Pierce.

5 **MS. PIERCE:** Thank you.

6 **CHAIRMAN GRAHAM:** Or at least I do.

7 **MS. PIERCE:** Thank you.

8 **MR. KELLY:** Can I ask one quick question?

9 **CHAIRMAN GRAHAM:** Sure.

10 **EXAMINATION**

11 **BY MR. KELLY:**

12 Q Ms. Pierce, when you called a customer service
13 rep and spoke to them about the bill --

14 A Yes.

15 Q -- did they talk to you and mention anything
16 about a leak adjustment policy that Aqua had?

17 A No. No, sir.

18 Q Okay. Thank you.

19 **CHAIRMAN GRAHAM:** Thank you, ma'am.

20 **MS. PIERCE:** Thank you.

21 **MR. KELLY:** The next speaker is Mr. Keith
22 Goodman.

23 **CHAIRMAN GRAHAM:** Sir, if I can get you to
24 give your name and address for the record, please.

25 Whereupon,

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KEITH GOODMAN

was called as a witness on behalf of the Citizens of the State of Florida and, having been duly sworn, testified as follows:

DIRECT STATEMENT

MR. GOODMAN: Sure. This is so you can follow along.

(Documents being passed out.)

My name is Keith Goodman from 30718 PGA Drive, Fairways at Mount Plymouth. And I'd like to have -- follow along, if you will. I'm going to cover a little different kind of territory than what's been covered so far.

Start out by saying what was in the rate request from Aqua Utilities. They indicated at the last meeting that they had or the rate request itself, they said they spent 8.4 million in capital investments. The consumption had plummeted by 16%, which they said was, and this is a quote, attributable to a large number of private wells. They said in 2010 their return on equity projected to be 1% below the PSC midpoint of 9.75%. They said they cannot realistically maintain a stable financial position, and they said Aqua is committed to provide excellent service.

So if we take those things apart, I'm not

1 going to speak to their \$8.4 million capital investment
2 because I don't know what they spent nor what they spent
3 it on and I don't care. But under the attributable to a
4 large number of private wells and plummeted by 16%, it's
5 not hard to believe because Florida ranked fourth in
6 active foreclosures. In 2010, Florida had 458,286
7 foreclosures. A foreclosure says the water is shut off.
8 We also had 11.1% unemployment. And the installed wells
9 indeed were put in to reduce expenditures. Particularly
10 with the interim rate we're now paying, you can get a
11 return on your investment or a two-year payback in less
12 than two years if you put in a well. The consumers are
13 reducing expenses to, to drop foreclosures. So don't
14 give me the fact that the 16% was caused by the large
15 number of wells that were drilled.

16 But by the same token, the last bullet item
17 says to me that the reduction in consumption is not a
18 PSC concern. That's a fact of doing business, it's a
19 fact of the way your customers are reacting and what
20 they're doing and a factor of the economy. It shouldn't
21 be a concern of that. They provide you the right to
22 provide the water and the availability.

23 As far as your 210 -- 2010 return on equity is
24 concerned being 1% below, in Florida in 2008 and half of
25 2009 there were 73,879 businesses went bankrupt. The

1 economic downturn basically affects everyone and
2 obviously impacts forecasted revenue. Well, it
3 obviously impacted your revenue. But I'm saying most
4 companies could survive on an 8.75% return on
5 investment. The fact is your company has, I believe,
6 paid your investors a 7% return. But I'm saying most
7 companies could survive, and the fact is there's about
8 73,879 companies listed above that would have been
9 damned happy to get 8.75%.

10 Your statement also up there said Aqua is
11 committed to providing excellent service. Well, Aqua
12 had, or has 21% of the ARCs and the top seven providers
13 in the State of Florida, yet you have 76% percent of the
14 PSC complaints from 2007 to 2010. Doesn't speak real
15 well. Analysis of customer reports has not provided any
16 indication of improvements based on the standards that
17 were back in 2007. So I'm saying your current
18 performance relative to customer service doesn't appear
19 to support the commitment you indicate in your rate
20 request.

21 If I look at the PSC mission statement, I'm
22 not here to be anybody's friend, I guess, but I'm saying
23 as late as November of 2010 the Commission mission
24 statement said making sure that Florida's consumers
25 receive some of their most essential services, electric,

1 natural gas, telephone, water, and wastewater in a safe,
2 affordable, and reliable manner. And affordable means
3 to be able to meet the cost of something without
4 unacceptable difficulty. It implies that analysis would
5 be performed on the income of the users to assure that
6 it would not cause an unacceptable difficulty. I think
7 the word affordable is a real nice word. It means
8 something to the consumer.

9 But as of September of 2011 your mission
10 statement says to facilitate the efficient provision of
11 safe and reliable utility services at fair prices. Fair
12 means to, means not exhibiting any bias and therefore
13 reasonable or impartial. My question is where did the
14 interest of the consumer go with the change of your
15 mission statement and the use of the word affordable
16 versus fair prices?

17 In the previous ruling we had and the analysis
18 that was done by the Staff there was a question relative
19 to the quality of service. And it said, "Is the quality
20 of service provided by the utility satisfactory? And if
21 not, what actions should be taken by the Commission?"
22 The Staff response was, "Yes, it's satisfactory." It's
23 always nice to look, go a little deeper, and it said is
24 the quality of service -- and there's the yes again --
25 the Office of the Public Counsel, thanks Jerry, said

1 Aqua's quality of service and its persistent poor
2 quality supports a finding of unsatisfactory.

3 Then we get into the analysis of the data
4 provided in the monitoring plan, seven systems,
5 1,792 customers, eight months, 6,333 reports, which is
6 3.5 reports per customer in eight months. If you
7 discount 600, which they say was due to a main break,
8 you still end up with 3.2 reports per customer in eight
9 months.

10 And AUF reported receiving an average of 5,423
11 calls per month at the call centers for Florida during
12 the months from May through December. 17,000 customers
13 generated 5,000 roughly, just round it out, 5,000 calls
14 per month, May, June, July, August, September, October,
15 November, December, eight months. That's 40,000 calls
16 from 17,000 customers. Are we, are we soliciting, are
17 we advertising on TV saying please call us?

18 The Staff statements again relative to quality
19 of service, Staff reviewed, sat and listened, they tell
20 me it was a great hardship to listen to 738 customer
21 calls, and their response was the majority of the calls
22 were handled in a courteous and professional manner on a
23 scale of 1 to 10. What the hell does that mean? Well,
24 it indicates that at least 370 calls were handled in the
25 above manner. There is no indication of how bad the

1 other 368 were. So I'm saying there was no quantitative
2 or qualitative analysis of the service provided.

3 Another one, the Staff used Aqua metrics
4 (phonetic) for their answering criteria. Aqua metrics
5 says 80% of the calls answered within 90 seconds. I had
6 a recording of this, but being from a telephone
7 background, that says you, the customer, can call and
8 listen to 15 audible rings, and if you get an answer on
9 the 15th ring, that's good service. The recording I was
10 going to play was to sit here and ask everybody to
11 participate and say at what audible ring are you going
12 to hang up? How many times have any one of you in this
13 room listened to 15 audible rings without saying to hell
14 with it and hanging up? It don't happen.

15 **CHAIRMAN GRAHAM:** Mr. Goodman, I need you to
16 conclude in about a minute.

17 **MR. GOODMAN:** Pardon?

18 **CHAIRMAN GRAHAM:** I need you to conclude in
19 about a minute.

20 **MR. GOODMAN:** I've got you in two more shots.

21 Relative to Aqua's customer service, again,
22 we've got one customer, two bills which we've heard
23 about before. You took away some of the postage from
24 being counted. Here's a case in point where Aqua
25 credited a payment to only one account even though there

1 were two checks, two accounts on it. Aqua admitted the
2 error. But before the customer could get the service
3 restored, they had to come in and pay cash for the now
4 delinquent account before service was restored. Well,
5 that says to me that their accounting process, they
6 don't have the ability to take an overpayment and put it
7 on to another account. Do we have, you know, green
8 shades and comptometers in the back room with their
9 accounting system? So two weeks after the payment and
10 service was finally restored. Now keep in mind we've
11 got two services, but there's only one cutoff. So if
12 you don't pay your irrigation bill, guess what? You're
13 going to get cut off for the whole house because you're
14 not going to have water in the house. There's only one
15 cutoff even though we have two accounts, one for
16 irrigation, one for residential water.

17 **CHAIRMAN GRAHAM:** Mr. Goodman, thank you for
18 your testimony.

19 **MR. GOODMAN:** One more shot.

20 **CHAIRMAN GRAHAM:** I've already --

21 **MR. GOODMAN:** We've made an improvement --

22 **CHAIRMAN GRAHAM:** Sir, I've already given you
23 ten minutes. If you want to wait until after everybody
24 has spoken, then you can come back and conclude.

25 Hold on a second. Mr. May may have a question

1 for you.

2 **MR. GOODMAN:** Do we have time for it?

3 **CHAIRMAN GRAHAM:** At the end, if you'd like to
4 speak, again I'll let you conclude what you want to do.
5 But thank you. Thank you, sir. That's it.

6 **MR. GOODMAN:** I'll be back on this one.

7 **CHAIRMAN GRAHAM:** Okay. We do thank you for
8 the information you brought. This is very concise and
9 specific.

10 Mr. Kelly.

11 **MR. GOODMAN:** Here's another visual handout.
12 It would be best if you would read it.

13 **CHAIRMAN GRAHAM:** Mr. Kelly.

14 **MR. KELLY:** Are you going to -- I'm sorry. Is
15 this going to be part of the record?

16 **CHAIRMAN GRAHAM:** We will, we will enter --
17 Ms. Longneck's in as Exhibit Number 21 -- Longnecker.
18 We'll put, we'll put down Composite/Ms. Longnecker as
19 Number 21. And this from Mr. Goodman will be down as
20 Number 22, and we'll put Composite/Mr. Goodman and which
21 include these photos as well.

22 (Exhibits 21 and 22 marked for
23 identification.)

24 **MR. KELLY:** The next speaker is Mr. David
25 Storch.

1 Whereupon,

2 **DAVID STORCH**

3 was called as a witness on behalf of the Citizens of the
4 State of Florida and, having been duly sworn, testified
5 as follows:

6 **DIRECT STATEMENT**

7 **MR. STORCH:** Good evening, gentlemen and
8 ladies. My name is David Storch. I live at 25000
9 Chipshot Court, Fairways at Mount Plymouth. Basically
10 I've been a person that just sits back and listens to
11 everybody else gripe or complain. A few times I've
12 called Aqua for problems like my water meter on my
13 irrigation quit working. I was being charged \$7.50 a
14 month. I called them several times, told them I needed
15 my irrigation meter fixed because I didn't want to get a
16 huge bill at one time. They said they'd look into it
17 and take care of it. I talked to the service guy that
18 runs through our neighborhood in an Aqua Utilities
19 vehicle, told him about it. It kept going, kept going,
20 \$7.50. Then all of the sudden I get this nice bill for
21 1,600 and some dollars, which, you know, I figured I
22 owed it because I did water. So I called them up and
23 the first response I got is "You need to pay it or we
24 will cut your water off." And then I thought about it
25 and then I called back a little bit later and got a

1 gentleman. And I told him that I'd like to see if there
2 was something I could work out on it. And he kind of
3 looked through the paperwork and he went over, he was
4 mumbling in the background, and then finally he said,
5 "Well, I need to call you back. I'll try to get back
6 with you sometime the next day." So the next day he
7 called and told me, he says, "You know, you only owe 300
8 and some dollars because we're only allowed to go back
9 so far by law." So I take it now I'm scared I'm going
10 to get a bill for the other \$1,300. And, gentlemen, if
11 I did, I will bring it to you.

12 Me and my wife moved in this community for
13 five years now, just me and my wife. That's it. My
14 water bill September the 15th, 2008, for the water for
15 my house was \$53. That was for 6,000 gallons of water,
16 which, you know, I figured I used. And then all the
17 sudden, you know, I just noticed when I started pulling
18 bills out my last two bills are for 2,000 gallons. This
19 is my August bill and the month prior, and it's for
20 2,000, 2,600 gallons and it's 68.09. Now what I'm
21 trying to understand is I have a bill that says I used
22 6,000 gallons three years ago and I paid \$53 for it.
23 Now three years later just about to the month I've got a
24 bill that says I'm only using 2,600 gallons and the
25 month before that was 2,200 gallons. So all this time

1 before these bills jumped down to the 2,000, can I go
2 back and get my money from them? Because it's just me
3 and my wife. That's it. My irrigation bill is out of
4 sight. Last month I paid \$176, \$174. The month before
5 that \$146. Just me and my wife. And you take a family
6 of four, a family of five like is in our neighborhood,
7 and I wonder why they're not watering their lawns.
8 Well, they can't afford to water and bathe their kids
9 because of this increase. It's just something that,
10 that somebody has got to say, you know, we've got to fix
11 this.

12 That's just like the guy that's on -- the BP
13 President that said, "I'd rather be on my boat fishing,
14 you know, instead of working on the oil flow." This
15 poor man comes in, he's the new CEO, and he's going to
16 listen to all of us, but he's going to go home, get in
17 his car, go home, and probably have a nice dinner, if he
18 gets home, maybe a drink. But the people that are
19 working out there trying to struggle to meet these
20 payments, we can't do it anymore.

21 Like my water, I will put a well in come
22 December when I get my tax money back. That's going --
23 my tax money I was hoping to use as a stimulus out in
24 the world is going to go in for a well so I don't have
25 to pay these people anymore. And if I could run my own

1 water, by God, I'd do it. I'd do it in a minute.
2 Everybody in our subdivision would do it in a minute.
3 But we can't do that. But we can put a well in. Well,
4 who does that hurt? That hurts them because their
5 bottom line is going to drop. I think I used 5,000 -- I
6 used 20,000 gallons of water to water my yard that
7 month. They will not get a dime of that 20,000 gallons.
8 That brings their bottom line down again. So something
9 is wrong.

10 If everybody keeps taking away, then they'll
11 keep wanting more and more and more. It's not fair to
12 the people. If, you know, if you give, take a little,
13 it's fine. But when you take a whole lot, you just, you
14 destroy the family. There's people that's moving out of
15 our neighborhoods left and right. They just can't
16 afford to live there anymore. And it's just not the
17 water that's hurting them living there, they just don't
18 have jobs. But us people that are 60, 65 years old like
19 myself, I can't retire. Am I drawing Social Security?
20 Damn right. But with all the extra money that's coming
21 in, it's going right back out.

22 Progress Energy, I have never had increases
23 like that. I went back over all my bills on Progress
24 Energy. I'm looking at it and I look at Aqua -- damn,
25 somebody is living right, but it ain't, it ain't

1 Progress Energy. So we just need to do something, guys.
2 I mean, you've got to look out for the people out there.
3 We can all drive nice cars or we can drive beat up and
4 just hold on by a string, and a lot of people are
5 holding on by a string right now.

6 And with these type of rate increases -- and
7 somebody show me 4,000 gallons a month for all those
8 months prior to this one. Because now it's only
9 averaging 2,000 something. So wait a minute, who -- can
10 I go back and say I want my money? Y'all overcharged
11 me. Because my meter didn't work on my, on my
12 irrigation, they came back and got it. So I should be
13 able to go back and get them. That's the way I feel.

14 And I just, I appreciate anything y'all can do
15 and the lawyer here can do to help the citizens.
16 Because they're going to go home and live in their homes
17 and they're probably not even under Aqua Utilities, but
18 they might be. But I can't afford it. Like I say,
19 when, when January comes, there's a well going in my
20 yard and that's going to cut the, the utility bill -- I
21 mean, my irrigation system down. But I appreciate y'all
22 showing up tonight and listening to all of us.

23 **CHAIRMAN GRAHAM:** Sir, hold on a second.

24 Mr. May.

25 **EXAMINATION**

1 BY MR. MAY:

2 Q Mr. Storch, thank you so much for coming this
3 evening. Would you be willing to provide your bills so
4 that we could take a look at them as part of the record?
5 We'd like to follow up really --

6 A Oh, yeah.

7 Q Okay.

8 A You got a computer? You can pull them up.

9 Q Sure. I just, I wanted to make sure, if it's
10 okay, for us to take a look.

11 A And look back when y'all charged me the
12 \$1,600. It might have been \$1,500, but what's \$100 now?

13 (Laughter.)

14 I mean, you know, y'all are talking thousands
15 over a year for me. I'm talking hundreds.

16 Q You mentioned that you had, you have an
17 irrigation system?

18 A Yes.

19 Q And you're using roughly 20,000 gallons a
20 month?

21 A That's what -- and I only run it when we don't
22 have rain. And, you know, in July it was killer. I had
23 to run it. And I put \$2,000 into my lawn because I had
24 to take care of the HOA, but now I can't water it to
25 keep it looking nice. So where do I win? I don't win

1 nothing. You know, just a higher bill.

2 Q Thank you, sir.

3 CHAIRMAN GRAHAM: Sir, thank you very much for
4 coming out. I appreciate it.

5 Mr. Kelly.

6 MR. KELLY: The next speaker is Ronnie
7 McCullogh.

8 Whereupon,

9 RONNIE McCULLOGH

10 was called as a witness on behalf of the Citizens of the
11 State of Florida and, having been duly sworn, testified
12 as follows:

13 DIRECT STATEMENT

14 MR. McCULLOGH: Mr. Fox, Mr. Chairman,
15 Commissioners, thanks for having us. I've had the, I've
16 seen these come before and I never took the opportunity
17 to come to them, like a couple other folks said. And
18 this evening -- finally my wife and I, we talked about
19 it a couple of weeks ago, and she says, you know, "Maybe
20 you should go over there and see what's going on.
21 Maybe, maybe we can make a change." And after listening
22 to a lot of folks here, I think we're on to something.

23 I've been a customer for quite a long time.
24 I've been in my community for 14 years. I retired from
25 the Army in 1997, and I live in the Kings Cove

1 subdivision in Fruitland Park. And at that time Aqua
2 did not own the service. I don't know how many years,
3 but they've owned it for quite a few years now.

4 A couple of things that concern me is when I
5 get the bill, or when we see these increases come,
6 there's something that's always written in there and it
7 says that Aqua is looking to increase the bill to the
8 maximum extent of the law. And that, for some reason
9 that just kind of rubs me like, my God. So if you would
10 allow us to get, you know, even more, you'd take it.
11 And that's just the attitude I think I see there.

12 In my community, we had a giant explosion, the
13 water tank blew up at the front of the community because
14 it is community water. They came in and replaced
15 everything. And since that time -- and, of course,
16 there's new equipment, but since that time our water
17 pressure there is, is pretty atrocious. People get up
18 in the morning to go to work or evenings when we come
19 home, of course, those are the high use times, but when
20 you turn your shower on, you hear that thing vibrate
21 really bad because the pressure is low. I never had
22 that problem before they put the new equipment in.
23 So -- and I understand they do have those costs.

24 Something else I wanted to say. You know I
25 understand they inherited a lot of these -- or all of

1 these water services. But, you know, all of the profits
2 since I've been there -- there's always been water
3 increases, and I would expect that when they make those
4 profits, that they would put it back into the equipment.
5 And so when I see all of the sudden that now they're
6 having to give us a 20 to 30% increase to replace old
7 equipment, well, you know, that's -- I would think over
8 time with those other increases that they got, they
9 should have been, you know, breaking that down over a
10 period time to ensure that they were replacing things as
11 needed.

12 So I'm just really echoing what most of the
13 other folks before me have said. I don't have a lot of
14 specifics. I wanted to come here and I just wanted to
15 voice my opinion about it.

16 A couple of things that are -- one of the
17 things that's a little puzzling to me, I've never
18 researched it, but my water meter is totally covered by
19 sand. And I guess they have an electronic -- is there
20 an electronic measuring device that comes by? I don't
21 know, but for my wife and I, we're like how the heck do
22 they know? So I've learned something.

23 Let's see. And the water quality in our
24 neighborhood, that has not changed. It's the same water
25 quality. I mean, we -- I'm going to probably put a

1 water softener on my system, but my water quality is the
2 same. There has been no change there.

3 So anyway, yes, sir, 20 to 30%. I mean, again
4 we started out -- the last bill I could say that was
5 reasonable was about \$28 to \$30 a month, and now my
6 water bill is also in the 70s. So nothing has changed
7 as far as my usage. Actually both of my kids have gone
8 off and gone to college, so it's actually my wife and I
9 as well. So I don't see the usage has went up, but the
10 bill has probably tripled what it was just a few years
11 ago. That's all I have, sir.

12 **CHAIRMAN GRAHAM:** Thank you, sir. Hold on
13 just a minute.

14 Mr. May.

15 **MR. MAY:** I have no questions. Thank you,
16 Mr. McCullogh.

17 **CHAIRMAN GRAHAM:** Sir, I want to thank you for
18 coming down.

19 **MR. McCULLOGH:** Thank you, sir.

20 **MR. KELLY:** Mr. Jack Hallett.

21 **UNIDENTIFIED SPEAKER:** I think they left.

22 **MR. KELLY:** Ms. Carol Clendinen.

23 Whereupon,

24 **CAROL CLENDINEN**

25 was called as a witness on behalf of the Citizens of the

1 State of Florida and, having been duly sworn, testified
2 as follows:

3 **DIRECT STATEMENT**

4 **MS. CLENDINEN:** I'm Carol Clendinen, and I've
5 been in Lake County for 38 years now. I am also --

6 **CHAIRMAN GRAHAM:** Ms. Clendinen, can you spell
7 that last name, please?

8 **MS. CLENDINEN:** C-L-E-N-D-I-N-E-N.

9 **CHAIRMAN GRAHAM:** Thank you.

10 **MS. CLENDINEN:** And I'm pleased to be here
11 because I work as a mental health counselor and have
12 done that for 30 some years. And I'm really touched by
13 the emotionality tonight because I do think that what
14 we're talking about here has a lot to do with those
15 people who are on fixed income feeling emotionally
16 abused by this whole, the whole system. And I just
17 happened to be sucked into it. And I'm not, I am not
18 wimpy, I have no problem speaking in a microphone. I do
19 that partially for a living in training.

20 My concern was that I was averaging 30 some
21 dollars a month for probably, all through the summer
22 because I have a very small lawn in Scottish Highlands
23 and I, I hand water. I even go out with a hose to water
24 those spots that need it rather than run the sprinklers.
25 I turn the water off when I brush my teeth. I'm

1 ultraconservative because the water is expensive. And I
2 am averaging \$30 to \$37 a month, and then all of the
3 sudden I have a \$427 bill. All right? They've come out
4 twice. And there's no leaks, right, there's no leaks.
5 Somehow I used 72,000 gallons of water. I live by
6 myself and I still work and I am a senior. It's hard
7 for me to believe that you could use 72,000 gallons of
8 water.

9 Now I did have someone who works for Lake
10 County -- because I am, have been for the last over ten
11 years involved with Lake County's appointed Elder
12 Affairs Committee, so I'm very conscientious about
13 senior issues. Someone came out that worked for Lake
14 County who was familiar with the meters and he said,
15 "You have a Neptune meter." That meter has been
16 problematic in Atlanta where people were sending me
17 YouTubes about these class action suits against Neptune
18 for being inaccurate. I've had neighbors who have had
19 bills that are \$16 that self-reported and had meters
20 replaced in Scottish Highlands, three \$16 bills. I have
21 a \$427 bill and, you know, I mean, and no leaks.

22 So when I call them, they come out and check
23 again, and they have -- and they are not -- they may
24 need some staff development, but they are not pleasant
25 on the phone. They act like, you know, I'm sorry you

1 have this problem, but just pay the bill. Otherwise,
2 you don't have water, and you really definitely need
3 water. I haven't figured out how to live without water
4 yet.

5 So my concern is that if this is a meter
6 problem and they're just telling me there's no leaks --
7 and now the next two bills after my \$427 are \$31 and
8 \$37. So somehow I'm back to my normal bill with this
9 gigantic spike, which I had to pay because I didn't want
10 the water turned off. So I think that because the --
11 you know, there's so much unpredictability in these
12 bills that something is obviously wrong with these
13 driveby readers that are picking up these meter costs.

14 Absolutely I'm concerned about the price and
15 the elevation of the bills we're getting, but I'm also
16 concerned with the lack of proper equipment that's,
17 that's giving us a fair bill for using water that we
18 have used. Thank you.

19 **CHAIRMAN GRAHAM:** Ma'am, thank you. Hold on
20 just a second.

21 Mr. May.

22 **EXAMINATION**

23 **BY MR. MAY:**

24 Q Ms. Clendinen, thank you very much for coming
25 this evening. Mr. Stacey Barnes is here. He has a

1 computer that can access your account. And I just
2 wanted to get some more information on the, the
3 \$427 bill.

4 A Uh-huh.

5 Q What month was that?

6 A I think that was May to June. Ms.,
7 Ms. Longnecker has given, Longnecker has given those
8 copies to one of your representatives.

9 Q Okay.

10 A Because they are included in the, the group of
11 problems that we're having.

12 Q Okay. And did you call the company?

13 A I called them probably five times before I
14 called the -- and then I was advised to call the Public
15 Service Commission. And so I've tried to follow this
16 through because obviously something has to be done.

17 Q Sure. Again, Mr., Mr. Barnes is here tonight
18 to hopefully help you. Thank you very much.

19 A Okay. Thank you.

20 **CHAIRMAN GRAHAM:** Thank you, ma'am.

21 **MR. JAEGER:** Chairman, I had one problem.

22 **EXAMINATION**

23 **BY MR. JAEGER:**

24 Q Ms. Clendinen.

25 A Yes.

1 Q I was looking at the exhibit provided by
2 Ms. Longnecker.

3 A Uh-huh.

4 Q And all I see is a bill from one customer and
5 then a letter for, about estimating it. It has another
6 name on it. I didn't see your name.

7 **MS. LONGNECKER:** We didn't -- I didn't leave
8 hers with -- Stacey has it. We can make a copy of it.

9 **MS. CLENDINEN:** Okay.

10 **MR. JAEGER:** Okay. Right now I do not have it
11 included as Exhibit 21. So I don't know if we can add
12 that or if we're going to get something for
13 Ms. Clendinen and add that to Ms.,
14 Composite/Ms. Longnecker?

15 **CHAIRMAN GRAHAM:** We can, we can add it to the
16 Ms. Longnecker composite when we get it.

17 **MS. CLENDINEN:** Yes. That will be fine.

18 **MR. JAEGER:** If we have that back there, we
19 need to get that to Mr. Dick Durbin. I think that Aqua
20 is saying they had it in the back, so I'm not --

21 **MS. CLENDINEN:** Right. That's fine.

22 **MR. JAEGER:** I just wanted to make sure.

23 **CHAIRMAN GRAHAM:** Thank you, ma'am.

24 **MS. CLENDINEN:** Thank you for your help.

25 **CHAIRMAN GRAHAM:** Thank you very much for

1 coming tonight. Thank you.

2 Mr. Kelly.

3 **MR. KELLY:** The next speaker is Ms. Marge
4 Schloegel.

5 Whereupon,

6 **MARGE SCHLOEGEL**

7 was called as a witness on behalf of the Citizens of the
8 State of Florida and, having been duly sworn, testified
9 as follows:

10 **DIRECT STATEMENT**

11 **MS. SCHLOEGEL:** Good evening, Mr. Fox.

12 **CHAIRMAN GRAHAM:** You can pull that mike down,
13 ma'am. If I can get you to spell your last name for me,
14 please.

15 **MS. SCHLOEGEL:** Good evening. Pardon?

16 **CHAIRMAN GRAHAM:** If you can spell your last
17 name for me, please.

18 **MS. SCHLOEGEL:** S-C-H-L-O-E-G-E-L. And I'm
19 the -- I represent Summit Chase Homeowners Association.
20 And Ms. Rusk did state much of our problem. One of the
21 things that I wanted to add to hers is that although we
22 got a bill for a million gallons of water this last
23 month, the previous month our bill was for \$3,000 and
24 our water was turned off that month also. So we really
25 do have some issues with it.

1 But I would really like to have Mr. Reams
2 speak for me. He has a lot more facts and everything on
3 this. Thank you.

4 **CHAIRMAN GRAHAM:** Thank you, ma'am.

5 **MS. SCHLOEGEL:** Mr. Reams.

6 **MR. KELLY:** He's the next speaker.

7 **CHAIRMAN GRAHAM:** Mr. Reams. Yes, sir.

8 Whereupon,

9 **FRANK REAMS**

10 was called as a witness on behalf of the Citizens of the
11 State of Florida and, having been duly sworn, testified
12 as follows:

13 **DIRECT STATEMENT**

14 **MR. REAMS:** Thank you, Mr. Chairman. Can
15 everyone hear? Commissioners, Commission Staff, Aqua, I
16 have a little booklet here that pertains to the Summit
17 Chase Homeowners Association. And on the first page
18 what I'd like to clarify here, while it's called the
19 Summit Chase system, there's actually two separate
20 developments here. Summit Chase is the one which is
21 outlined in yellow and it's the smaller of the two. And
22 the larger one then is to Tavares Ridge. There's
23 approximately 160 customers in the Tavares Ridge
24 Homeowners Association and there's 60 in Summit Chase.

25 Then if you'll turn to the first page, I'll

1 run through this briefly, but I think it should be
2 pretty self-explanatory. But let me tell you, this
3 thing is kind of like an octopus; it's got a lot of legs
4 to it. It's been going on since January 2007. And so
5 the trail is pretty stale, you know, and there's many
6 issues here.

7 And the other thing I want to clarify up front
8 is this homeowners association has went to the
9 Commission twice. They've turned in two Commission
10 complaints. And I don't believe that they've had a fair
11 hearing, and that's why I'm here tonight.

12 I'm going to read this real quickly, and then
13 we'll go through the billing summary, we'll go through
14 some bills, and we'll go through a collection letter and
15 the payment setup that they made.

16 The Summit Chase system is two totally
17 separate subdivisions. One is called Summit Chase and
18 the other is Tavares Ridge.

19 There are no internal connecting roads between
20 these two systems; however, both were built and
21 developed about the same time. The well and the water
22 system appears to be part of the Tavares Ridge
23 subdivision; however, the Lake County Property Appraiser
24 lists the parcel as part of the Summit Chase
25 subdivision. The location of this system is noted on

1 the Lake County aerial map which is part of this
2 information booklet.

3 Tavares Ridge is the larger of the two
4 developments, having about 160 units with a swimming
5 pool. Summit Chase has 60 units with a swimming pool
6 and a clubhouse. And in addition, there's an irrigation
7 system with the common areas of this development.

8 The Summit Chase Homeowners Association has
9 requested help via the Public Service Commission
10 reporting twice in the past 16 months. The first
11 request was submitted May 2nd -- May 12th, 2010, and the
12 second was submitted on October 11, 2010. Now neither
13 one of these really address some of the issues that the
14 customers had, and I'll cover those in just a minute.

15 Now the billing issues that this customer has
16 dates to September 2007 when they began receiving
17 estimated bills for usage. These estimated bills went
18 on for 26 months before they received a bill for usage.
19 I'd like to also point out that during this same period
20 of time, which we'll cover in a minute, the basic
21 facility charge, it varied seven different numbers. All
22 right? So I've got to set the stage on that because
23 these people were getting so many bills, as you'll see
24 when I go to the billing summary, that they didn't know
25 what to pay. So on advice from an attorney they decided

1 that they had better wait until Aqua got things
2 straightened out.

3 Now, further, Aqua discovered that there were
4 fire hydrants within the community and so they installed
5 a 6-inch meter. However, due to the low flow, this
6 meter did not register correctly. The understanding the
7 HOA had was a compound meter was needed to be installed
8 in order to register low flow correctly. At some point
9 a second meter was added, which is a 1.5-inch meter.
10 Now this meter doesn't appear to serve any functions
11 because the bill that they receive is based off of the
12 6-inch meter.

13 Now previously the -- in 2009 when this meter
14 was changed out they had a 2-inch meter. For 26 years
15 that meter served for the irrigation and for the water
16 to the 60 units in this development.

17 Now Ms. Schloegel tells me that the sprinklers
18 are automatically programmed to run during the late
19 night and early a.m. hours when most residents are
20 asleep. They're programmed to run twice a week in the
21 summer, March to November, and during the winter months
22 only once a week.

23 Now when they installed the 6-inch meter, they
24 began charging the commercial rate for a 6-inch meter,
25 which today is \$925.95 cents. Now there's also, in the

1 tariff there's a private fire protection, which is also
2 the Commission-approved amount which is \$77.16. The
3 basic facility charge for the 1.5-inch meter is \$92.60.
4 That's the current tariff for that. The HOA feels they
5 are being charged double for the basic facility charge
6 of 925 for the 6-inch meter, and in turn Aqua is
7 collecting another \$18.52 for each of the 60 villa
8 meters, plus the pool and the clubhouse. These two BFC
9 charges combined, \$1,129.72 for the villas, plus
10 \$925.95, for a total of \$2,055 a month in basic facility
11 charges before any water is used.

12 We don't think that's right. We think that
13 they ought to be charged a private (phonetic) fire
14 protection rate for that 6-inch meter since there's an
15 1.5-inch meter there. And if you look at any
16 engineering tables, the amount of water that you can get
17 through a 2-inch meter and the amount that they're
18 using, even if it's only down to 20 or 30 pounds of
19 pressure, is enough to serve that whole area over there,
20 the irrigation and the other. And besides that, it
21 doesn't run both at the same time.

22 Now without too much of an explanation,
23 suddenly they get a bill for \$53,000. Now there's a lot
24 of back and forth on this, and Aqua came out and met
25 with them several times. And finally they said, okay,

1 the game is up. Pay us.

2 Now the irrigation system and the meters is
3 common plumbing. There's no difference between that.
4 So in order, in order to shut off the irrigation, they
5 were also going to have to shut off the 60 units. So
6 they told them it was going to run between two and four
7 hundred dollars for each valve that they had to install
8 in order to just shut off the irrigation.

9 Now if you turn over to the third page --

10 **CHAIRMAN GRAHAM:** Mr. Reams, I need you to try
11 to wrap this up in the next minute.

12 **MR. REAMS:** Well, maybe I should let other
13 people speak. But I would like to just cover a couple
14 of things back here.

15 **CHAIRMAN GRAHAM:** Sure.

16 **MR. REAMS:** If you go back to the third tab.
17 Come forward from that third tab. Actually, if you just
18 look at this last page that the third tab is on. Each
19 month, each month they receive two bills. They get one
20 from Pennsylvania, and then there's another bill that
21 comes from the Leesburg office. And if you'll look on
22 the back of -- you've got to go up a couple of pages,
23 and you'll see that there's an Excel spreadsheet that
24 shows the 60 meters that they have there. So this is a
25 manual computation. They get one bill for the total

1 amount of water through the meter, and then they have to
2 make a manual computation and remove whatever water is
3 used for those 60 meters.

4 Now one other thing I'd like to point out, and
5 I'll wrap up, but there's only two fire hydrants in
6 Summit Chase and there's three setting over in Tavares
7 Ridge. So really right now the Summit Chase homeowners
8 are also paying for those fire hydrants that's over in
9 Tavares Ridge. Thank you. And I did put a picture in
10 here of the new meter that was installed. That's on the
11 back page there.

12 **CHAIRMAN GRAHAM:** Thank you, Mr. Reams.

13 **MR. REAMS:** Thank you very much for your time.

14 **CHAIRMAN GRAHAM:** Hold on just a second.

15 Mr. May.

16 **EXAMINATION**

17 **BY MR. MAY:**

18 Q Thank you, Mr. Reams, for coming out tonight.
19 Just a couple of points to clarify the record. Are you
20 a customer of Aqua Utilities Florida?

21 A No, sir, I am not.

22 Q Have you previously spoken to the Commission
23 about Aqua Utilities in the past?

24 A I'm sorry. I didn't catch that. I'm hard of
25 hearing.

1 Q I said have you previously spoken to the
2 Commission about Aqua Utilities in the past?

3 A Yes, I have.

4 Q Are you working with Aqua today to try to
5 resolve the differences regarding the Summit Chase
6 Homeowners Association outstanding balance?

7 A Well, I haven't, but I'd be happy to.

8 Q Are you aware of the payment arrangement
9 agreement?

10 A Yes, I'm aware of that, but I didn't have time
11 to get into it. There's a copy of that that I have in
12 here. That's part of the exhibit.

13 Q And are you also aware, sir, that this issue
14 has been brought to the Commission's attention on at
15 least two prior occasions?

16 A I'm sorry. I didn't catch that.

17 Q And are you also aware that this issue has
18 been brought to the Commission's attention on two prior
19 occasions?

20 A Yes, sir, I am. And I'm asking that the
21 Commission have the Staff reexamine it because I don't
22 think it's right.

23 Q Sure. A couple of other questions. Are you
24 an officer or a director in the organization Flow?

25 A No. I'm a volunteer with FlowFlorida.

1 Q Mr. -- I think Mr. Bussey said during the
2 Sebring hearing that you were also a director or leader
3 of that organization. Are you not?

4 A It's strictly a volunteer organization. We
5 have many people that help us from time to time.

6 Q Okay. The issue with respect to the Summit
7 Chase Homeowners Association involves, does it not, the
8 provision of irrigation water over a three-year period
9 in which the homeowners association did not pay for the
10 water?

11 A They were paying for the water up until about
12 2008. I could go through here and find it. But they
13 paid for it for several months. And then finally when
14 the bills started to come in, if you'll look in there,
15 you'll see that there are a lot of adjustments made.
16 They'd send the bill and then they'd say, wait a minute,
17 don't pay that. This gets pretty hairy.

18 Q Are you aware under the payment plan that the
19 homeowners association agreed to -- are you aware of the
20 per month customer obligation per customer?

21 A Yes, sir, I am.

22 Q And that obligation is \$35.09 per month per
23 customer?

24 A That isn't the way it's written up in here.
25 But it's written as \$2,000 a month, and they made an

1 additional down payment of \$5,000 when they began making
2 the payments.

3 Q Do you know how much the \$2,000 per month
4 payment is amortized over the customer base?

5 A I haven't, I haven't calculated that.

6 Q Subject to check, would it be \$35.09 per
7 customer?

8 A It very well could be. I don't have it
9 calculated.

10 Q Thank you, Mr. Reams. No further questions.

11 A Thank you.

12 **CHAIRMAN GRAHAM:** Mr. Reams, thank you for
13 coming down. Thank you for providing this
14 documentation.

15 We will, we will put -- Exhibit Number 23 is
16 going to be Composite/Mr. Storch. And Exhibit Number 24
17 will be Composite/Mr. Reams.

18 (Exhibits 23 and 24 marked for
19 identification.)

20 And, ladies and gentlemen, it's about time for
21 us to take that five-minute break -- we're just about
22 two hours into it -- for the court reporter. So we'll
23 reconvene in about five minutes. Thank you very much.

24 (Recess taken.)

25 Let's get started again. All right. We will

1 reconvene. Before we move forward, we -- I got a copy
2 of Carol Clendinen. We're going to add her bill to the
3 composite from Ms. Longneck -- Longnecker. So I just
4 wanted to make sure that is clear on the record.

5 Okay. Mr. Kelly.

6 Now I just want to let everybody know that it
7 is now a quarter after 8:00. I am told we have the
8 building until 10:00. So just bear with me. I'm going
9 to try to make sure we can get through everybody at
10 least once because I know there's nothing worse than
11 people coming here and not being able to speak. So
12 we'll make sure we get through that.

13 Mr. Kelly.

14 **MR. KELLY:** I'll get this right, Michelle
15 Minichino.
16 Whereupon,

17 **MICHELLE MINICHINO**

18 was called as a witness on behalf of the Citizens of the
19 State of Florida and, having been duly sworn, testified
20 as follows:

21 **DIRECT STATEMENT**

22 **MS. MINICHINO:** Can you hear me?

23 **CHAIRMAN GRAHAM:** Yes, ma'am.

24 **MS. MINICHINO:** Michelle Minichino. I'm at
25 30417 PGA. I'm with the Fairways --

1 **THE COURT REPORTER:** Hold on just a minute. I
2 don't think that mike is on.

3 **CHAIRMAN GRAHAM:** You've just got to speak
4 right into it?

5 **MS. MINICHINO:** Can you hear me now?

6 **UNIDENTIFIED SPEAKER:** No.

7 **MS. MINICHINO:** Now?

8 **CHAIRMAN GRAHAM:** Yes.

9 **MS. MINICHINO:** All right. My name is
10 Michelle Minichino. I'm at 30417 PGA. I am part of the
11 Fairways. First of all, I'd like to say thank you to
12 Mr. Keith Goodman for representing us. He is our
13 president of the homeowners association.

14 But I've -- I personally feel that this rate
15 increase is not only unfair, unjust, but it is driving
16 neighbors out of our neighborhood. I have one neighbor
17 in point, Donna, who is selling her house. She can't
18 afford it anymore. There are at least three to four
19 foreclosures within, within eyesight of my house.

20 Right now I personally feel with the bills
21 that we're getting from Aqua, if this gets a rate
22 increase, if it does accept, I feel that they should
23 give us a jar of Vaseline because we're getting a total
24 screw job. This is ridiculous.

25 I am -- my husband is a teacher. As you know,

1 teachers are not getting a salary increase. I am not
2 getting a salary increase. But yet Mr. Fox, he's going
3 to be able to get a 300% increase on my water bill. If
4 you look at page 5 of the PSC's Special Report, you will
5 notice that we were paying 19.98. If this gets into the
6 rate increase that they want, they will get \$66.33 per
7 meter. We have two meters. And not only will they get
8 that for the water service, they will also get
9 \$95.05 for the wastewater. My bill will be close,
10 probably around \$300.

11 Mr. Fox, do you pay \$300 a month for your
12 water bill?

13 **CHAIRMAN GRAHAM:** Ma'am, we just need to get
14 your testimony on the record, please.

15 **MS. MINICHINO:** So I have no numbers in front
16 of me. I am speaking as a mother, as a family of four.
17 I tell my kids to take five-minute showers. If this
18 rate increase comes, I will be putting in a well for
19 sure. And how is that going to affect the current rate?
20 I'll make sure all stops that they don't get, they don't
21 get as much money as I'm trying to bring in. That's it.

22 **CHAIRMAN GRAHAM:** Ma'am, thank you for coming
23 down. And hold on just a second.

24 **MR. MAY:** No questions. Thank you, ma'am.

25 **MS. MINICHINO:** Don't thank me.

1 **CHAIRMAN GRAHAM:** Thank you, ma'am.

2 Mr. Kelly.

3 **MR. KELLY:** The next speaker is Ms. Linda
4 Hovanec.

5 **CHAIRMAN GRAHAM:** Who follows Ms. Hovanec?

6 **MR. KELLY:** Tim Clapper.

7 **CHAIRMAN GRAHAM:** Mr. Clapper, if I can get
8 you to come sit in the front row, please.

9 Whereupon,

10 **LINDA HOVANEC**

11 was called as a witness on behalf of the Citizens of the
12 State of Florida and, having been duly sworn, testified
13 as follows:

14 **DIRECT STATEMENT**

15 **MS. HOVANEC:** Hi. I'm going to make this
16 short and sweet. I moved from New York three years ago
17 to have a better lifestyle down here. I no longer water
18 my lawn, haven't for two years. I do two loads of
19 laundry. I no longer sort my laundry. I do not flush
20 my toilet every time I use it because I cannot afford
21 the bill.

22 Six months ago my bill was 40 something, now
23 it's 60 something. And you won't even more? We can't
24 do this. Just can't do it. It's absurd. Thank you.

25 **CHAIRMAN GRAHAM:** Thank you, ma'am.

1 **MR. KELLY:** Mr. Clapper. And Mr. Clapper will
2 be followed by Robert Minichino.

3 **CHAIRMAN GRAHAM:** Thank you. Mr. Minichino,
4 if I can get you to come to the front row.

5 Mr. Clapper, welcome.
6 Whereupon,

7 **TIM CLAPPER**

8 was called as a witness on behalf of the Citizens of the
9 State of Florida and, having been duly sworn, testified
10 as follows:

11 **DIRECT STATEMENT**

12 **MR. CLAPPER:** My name is Tim Clapper. I live
13 at 30435 PGA Drive. I also live in the Fairways
14 subdivision. I moved here about six years ago from
15 North Carolina. When I lived in North Carolina, we were
16 on city water. Our water bill was about \$24 a month.
17 We moved here and my water bill was about, with both the
18 bills it was about \$88 a month. I was kind of shocked
19 at that. Now they're wanting to put my rate up to close
20 to 200, over \$200 a month.

21 It says right here they want to, they want to
22 increase our rates to cover their increased operating
23 costs. Well, the Fairways at Mount Plymouth is a fairly
24 new subdivision. I think it's been there for about
25 seven years. I would like to know specifically what

1 extra money they've had to spend on the Fairways
2 subdivision. I don't care what they've had to spend on,
3 on other investments they've made. That's not my
4 problem to pay for your investments. If I'm having to
5 pay this much more, I don't mind having to pay for
6 improvements, but I only want to pay for improvements to
7 my subdivision. I don't want to pay for improvements
8 that you've made to other subdivisions. So show me in
9 writing what you've had to spend on the Fairways at
10 Mount Plymouth water treatment facility and I'm willing
11 to pay that extra money that you've had to spend. I
12 don't want to spend that.

13 I was trying to think of a good example and a
14 real world example, and I think I came up with a pretty
15 good one. If I owned a restaurant and I did pretty
16 good, I had a, was doing pretty well for myself, had a
17 good business, I decided I want to expand and I buy a
18 rundown restaurant. Well, in order to pay for that
19 rundown restaurant I triple my prices at the restaurant
20 I currently have. Guess what? I'm not going to be in
21 business very long. So what they're doing is no way to
22 run a business. And I think that's a pretty good
23 example.

24 Like I said, I'll pay for improvements you've
25 made to my subdivision. But other people have come up

1 here and said that if you didn't do the correct research
2 to find out how much it was going to cost you to fix
3 these water treatment facilities you've bought, that's
4 your problem. That's not the problem of the people that
5 already have a good working facility.

6 A lot of people have come up here and said how
7 this is affecting our neighborhood. Well, it is. Half
8 the yards in our neighborhood aren't being watered
9 anymore because people can't afford it. People are
10 moving out because they can't afford to live there
11 anymore. There's foreclosures. The unemployment rate
12 right now -- now is not the time to be asking people to
13 double and triple their water bill. That's all I have
14 to say.

15 **CHAIRMAN GRAHAM:** Thank you, Mr. Clapper.

16 **MR. KELLY:** The next speaker is going to be
17 Robert Minichino, going to be followed by Philip
18 Johnson.

19 **CHAIRMAN GRAHAM:** Mr. Johnson, if I can get
20 you to come sit on the front row, please.

21 Mr. Minichino, welcome.

22 Whereupon,

23 **ROBERT MINICHINO**

24 was called as a witness on behalf of the Citizens of the
25 State of Florida and, having been duly sworn, testified

1 as follows:

2 **DIRECT STATEMENT**

3 **MR. MINICHINO:** Good evening.

4 **CHAIRMAN GRAHAM:** Please.

5 **MR. MINICHINO:** Do you need my address or
6 anything like that for the record?

7 **CHAIRMAN GRAHAM:** Yes.

8 **MR. MINICHINO:** Okay. Robert Minichino, 30417
9 PGA Drive in Mount Plymouth, Fairways at Mount Plymouth.

10 I just did some quick math in here based on
11 what we, you know, the blue form that was given to us
12 all when we got here. And according to this, we would
13 have been paying, if this is the average bill with
14 water, sewage -- and I'm assuming this would, this is a
15 per meter rate. We have two meters in our neighborhood,
16 one at each house: One for the -- one for the sprinkler
17 system, one for the house. I'm assuming that means that
18 it's this rate times two, plus the water and sewer as an
19 average rate here. So the average rate would be, going
20 from \$75.41 a month, according to this form, up to
21 \$188.07 with the implemented rate, which I believe
22 that's where we're at now. I'm not 100% sure about
23 that. And then the requested final rate of, would put
24 the average bill at \$227.71 a month, which means an
25 average bill, if I'm reading this correctly -- which

1 this is probably the clearest one of these things I've
2 seen. When you get the other ones like this with, you
3 know, all the different tiers and everything else, it
4 gets really confusing, so I think most people don't
5 really know what to expect. But that goes from an
6 average of \$904.92 a year up to where, up to, if they
7 get what they really want, is up to \$2,732.52 a year.
8 And where does it stop beyond that?

9 As I've said, a lot of people have left, you
10 know, the neighborhood. I don't necessarily think it's
11 because the water bill is too high. I mean, there's a
12 lot of other driving factors behind that. But if you
13 can't afford to pay that -- you get that \$227 a month
14 bill on average in and you're struggling to make the
15 mortgage as it is, you're just, you're just getting in a
16 situation you can't, obviously can't afford it anymore.
17 And three years down the line if things haven't gotten
18 better, I mean, are there going to be any requests for a
19 rate decrease? That's what I'd like to know. If when
20 things get better, when they're making the money they
21 want to make. I mean, is this going to be something
22 that continues on and on and on?

23 And, I mean, I don't see how anybody can say
24 this is a fair rate. I paid less for electricity in
25 August than I do for water any time of the year just

1 about.

2 It's, you know, you could say things are tough
3 all over all you want, and it doesn't make any sense.
4 Another thing is that I don't think any of us would have
5 to be here tonight if the rate was never, you know, it
6 never got to where it's at right now.

7 We, you know, I didn't get involved the last
8 time when this was before you guys, I don't know how
9 many were here and not here last time, because I thought
10 this is ridiculous. How is anybody going to approve a
11 rate increase like that? I would just hope that this
12 time through that -- I mean, we had a full room in here
13 earlier, but, you know, if this was maybe a little bit
14 later in the evening, I think most people were coming
15 home about the time we were heading out here. I'm
16 lucky, you know, that I was able to get off, out here,
17 up here early enough. I think we'd have a full room in
18 here and we'd have to go until 3:00 in the morning.

19 And, you know, I don't know, I just, I don't
20 really get involved with stuff like this. I'm very fed
21 up with the whole political system. And I don't know
22 how much of this comes down to politics, but I have read
23 reports here and there that some people that have been
24 over here have been over here before, and some people
25 from over there have gone over there. And, you know, I

1 would think that, you know, if any of you were decent
2 human beings, that you would know that it's wrong. It's
3 fine if you get another job somewhere else, but you
4 shouldn't be involved with making decisions that you
5 were in control of in the other direction.

6 I'm kind of jumbling up in my head right now,
7 but that's about all I really have to say. But if this
8 was -- you know, since this seems to have kind of come
9 down to politics, it appears to me that, you know, if
10 you're a Democrat, you should look at this as corporate
11 greed. If you're a Republican, you're talking about the
12 free market. But if this was called a tax, then
13 everybody would be, you know, Republicans would be
14 against it. You know? So, you know, I beg of you guys,
15 you know, in the name of decency that, you know, this is
16 not -- my bills shouldn't be my mortgage and then my
17 water bill being the most expensive thing. I'd like to
18 do other things like, you know, fix my wife's car and
19 pay some, you know, buy some other clothes and stuff
20 like that, you know. But, you know, you sit there and
21 you pay that bill for \$227, and I think mine will be
22 more because I've got a larger yard and I've got four
23 people in the house and we all take showers every day
24 and, you know, water the lawn and have two or three
25 loads of laundry to run through the thing every night.

1 So just, you know, in the name of decency I
2 would hope maybe you guys can seriously consider denying
3 not only what they want and where they're at now, but to
4 put it back to where it was before. Thank you.

5 **CHAIRMAN GRAHAM:** Sir, thank you for coming.
6 Thank you very much.

7 **MR. KELLY:** The next speaker is Mr. Philip
8 Johnson, followed by Mr. Bobby Pugh.
9 Whereupon,

10 **PHILIP JOHNSON**

11 was called as a witness on behalf of the Citizens of the
12 State of Florida and, having been duly sworn, testified
13 as follows:

14 **DIRECT STATEMENT**

15 **MR. JOHNSON:** Good evening. My name is Philip
16 Johnson. I live at 25201 Ironwedge Drive, and I'm also
17 speaking on behalf of Joe and Britney Berkowicz at
18 25213 Ironwedge Drive, and Ed and Tonya Chittendon at
19 25148 Ironwedge Drive.

20 When you -- when we bought our, my wife and I
21 purchased our home in June of 2010, I never, ever
22 expected my concern to be my water bill. However,
23 shortly after moving in our rates went up over 100%.

24 My water bill is my second highest bill in my
25 home, with my first being my mortgage. We receive two

1 water bills every month, and I know there's been
2 discussions as to why that occurs and why we cannot
3 combine those bills into one. That would save Aqua
4 Utilities a considerable amount of money on postage
5 alone.

6 As said before, with the proposed hike, it's
7 224% higher in a year and seven months. I mean, that is
8 incredible. My water bill for last month, which I have
9 here -- or, I'm sorry, for the month of July was, for my
10 water and sewer bill was \$218.70. That's for
11 6,700 gallons. I have two children. And my irrigation
12 bill was \$134.72. With the new proposed increase, that
13 will bring my total water bill to \$464.24 a month. I
14 don't know how anybody can pay that. I can't. We have
15 an FHA loan on our home. And if these rates can't come
16 down, we are going to have to consider selling our home
17 and moving to a different area. That's just the way it
18 is. I can't pay \$400 a month for my water. I do
19 everything I can to conserve. I water an hour and 20
20 minutes -- I'm sorry -- two hours and 30 minutes per
21 week on the scheduled days that we're allowed.

22 And I don't know what to say. I mean, I take
23 my youngest son in the shower with me. I have a
24 showerhead that I can shut off. I tell the kids not to
25 flush the toilets. It's just ridiculous. It's a lot of

1 money to ask someone to pay for a basic need in their
2 home. And we're trapped. And it sounds to me like Aqua
3 preys on these smaller subdivisions, buys it up.

4 And I don't know if Aqua Utilities knows
5 anything about preventative maintenance, but they should
6 look into it. Because if you run a business, as the
7 gentleman before me spoke, you know that you can't just
8 throw the cost of an upgrade to equipment on a customer.
9 If my cable provider decided to raise my bill 200%, I'd
10 say go ahead and shut it off and I'll call another
11 provider and I'll -- but the situation we're in now, I
12 can't just say shut off the water and I'll call another
13 water company. We have no choice. We have to pay it.
14 It's not fair. It's a basic need. I have kids, I have
15 a family.

16 And so, please, if you can do anything at all
17 to help us out, we would appreciate it. And I
18 appreciate everybody from the community coming out
19 tonight and being heard. I saw a lot of people from our
20 subdivision. So thank you.

21 **CHAIRMAN GRAHAM:** Thank you, Mr. Johnson.

22 **MR. MAY:** No questions. Thank you,
23 Mr. Johnson.

24 **MR. KELLY:** Mr. Bobby Pugh, followed by
25 Mr. Jake Denmark.

1 Whereupon,

2 **BOBBY PUGH**

3 was called as a witness on behalf of the Citizens of the
4 State of Florida and, having been duly sworn, testified
5 as follows:

6 **DIRECT STATEMENT**

7 **MR. PUGH:** Thank y'all for being here. I'm
8 Bobby Pugh, 25202 Ironwedge Drive in the Fairways
9 subdivision. I'm not going to run through everything
10 that everybody else has said tonight and spend a lot of
11 time doing that.

12 It -- the water is too high. I would also
13 like to talk about the quality of the water. For, for
14 this amount of money to be paid, the quality of our
15 water is, frankly, garbage. My daughter has stains on
16 her teeth. I give her water to go to bed with. That's
17 the only thing that I let her have at the end of the
18 night. And, frankly, I'm buying -- to pay this much for
19 water in my home and sewer and then have to go to
20 Wal-Mart or wherever I do my grocery shopping to buy
21 spring water to actually make sweet tea and for actual
22 consumption is just ridiculous to me.

23 No matter what we do -- I've turned off my
24 irrigation, we've had a lot rain this past month --
25 still \$35. I still pay \$35 and I have not ran it at all

1 this month just as a test. And like everybody said,
2 we're not flushing our toilets. And, you know, we, we,
3 we love our neighborhood. I think everybody that's from
4 our subdivision can attest that, you know, we love our
5 neighbors. Our kids all play together, go to the same
6 school. I don't want to have to move and get out of a
7 good school system and everything else over water. You
8 know, I'm a single parent and stay broke, and it's
9 ridiculous to have to pay that much just for water
10 alone.

11 I, you know, there's not too much more I can
12 say. You know, every -- I've done investigations on the
13 company all, all day, and I think everything else has
14 been covered by everybody else here today. So thank
15 you.

16 **CHAIRMAN GRAHAM:** Mr. Pugh, thank you very
17 much for coming.

18 **MR. MAY:** No questions. Thank you, Mr. Pugh.

19 **CHAIRMAN GRAHAM:** Thank you for your time.

20 **MR. KELLY:** Mr. Denmark, followed by Ms. Donna
21 Ricketts.

22 Whereupon,

23 **JAKE DENMARK**

24 was called as a witness on behalf of the Citizens of the
25 State of Florida and, having been duly sworn, testified

1 as follows:

2 **DIRECT STATEMENT**

3 **MR. DENMARK:** My name is Jake Denmark.

4 Denmark is spelled just like the country. All right.
5 The first thing I want to state is the economy is not in
6 a very good state, and for a business to come through
7 and request more money on top of the big money you're
8 already getting is insane. It's not a good way to do
9 business. You're driving your customers out. And all
10 you're really gonna do is keep upping your rates and
11 charge the people that are staying to compensate for the
12 people that are leaving. Not a very good business ethic
13 there.

14 Second off, my rates. My irrigation bill is
15 outrageous. My irrigation bill, \$463.36. I have no
16 leaks. I've paid one of my friends that is a irrigation
17 specialist, me and him personally dug up every inch of
18 my yard inspecting the pipe, all the couplings. There's
19 not one speck of wet dirt anywhere throughout any of the
20 trenches.

21 My house water bill this month, inside my
22 house is \$163.96. That is for 5,500 gallons of water.
23 Apparently that's a typical -- me and my wife, I have a
24 9-year-old son and a 1-year-old daughter. We don't use
25 that much water.

1 And I'm going to get to the uncomfortable way
2 of life. When we go to the bathroom, we can't flush our
3 toilets because we know it's going to cost probably ten
4 bucks per flush. Not very, not very great. Can't have
5 company over because bathrooms kind of do smell. We,
6 when we go number one, they stay. When we go number
7 two, it goes. Let me -- that's embarrassing to have to
8 stand up here in front of all these people. You guys
9 are driving me to embarrass my family. I live in the
10 Fairways of Mount Plymouth along with a lot of these
11 other people. Do you know how embarrassing that is?
12 It's repulsive to know that these people are going to
13 drive by my house and know they don't flush their toilet
14 because it's going to cost them ten bucks.

15 I have to go to the gym after work or before
16 work to take a shower because it's cheaper for me to pay
17 a gym membership and go there and use their facilities.
18 Not a very comfortable way of life. My son, if he does
19 not have PE at school, I don't make him take a shower.
20 That's not very hygiene. And I express hygiene, but I
21 can't take him to the gym with me to make sure he takes
22 a shower every morning. It's ridiculous.

23 Aqua, you say it took \$11 million to make
24 these upgrades to your facilities or whatever. What
25 happened to all the profits you've been making for all

1 these previous years? Was nothing set aside for
2 instances like this? Why are you charging us for
3 maintaining when you guys should already be building a
4 savings account to prepare for this?

5 Unprofessionalism. When I call Aqua, I always
6 get some girl on the phone with a name that I can't
7 pronounce. They laugh at me when I get a little angry.
8 I've been told to just shut up and pay my bill. I've
9 been threatened. I've had a collection -- or I don't
10 know -- the collection side of it has called my wife and
11 threatened to combine my irrigation and my house since I
12 told them to shut my irrigation off since I'm not going
13 to pay 500 bucks to water my lawn. They threatened her,
14 saying that, "We're going to combine the bills. And if
15 you don't pay your combined bill, then we'll just shut
16 your house off." Oh, okay. So I get my wife calling me
17 at work, freaking out, we're going to lose our water.
18 That's not very nice. You know, that's very stressful
19 for a family.

20 This company is not like a cable company. I
21 can't call St. Johns Water Management, Mt. Dora Water
22 District to come through and hook up a new water line
23 because I'm unhappy with your rates. That's a perfect
24 example of a monopoly. You guys can do whatever you
25 want as long as it's approved and you get away with it.

1 And just like one of the other people stated, as long as
2 it's approved and it's to legal standards, you're going
3 to go for the maximum. Why wouldn't you? You've got no
4 competition.

5 Let's see. You come through my neighborhood.
6 You're more than welcome to drive through the Fairways
7 of Mount Plymouth. It's 25 minutes up the road. You'll
8 see that people are taking their lawns out, taking them
9 out, like they don't even have grass anymore. There's
10 people putting down mulch, there's people putting down
11 rocks. There's people that have transplanted shrubs for
12 grass. I'm personally one of them. I've probably spent
13 500 bucks in the past two months trying to transfer my
14 lawn over. I'm sure Keith has driven by my house and
15 saw the slow improvements. I'm just a hard working guy.
16 I get, every third week I get a weekend to work on my
17 lawn. I'm slowly implementing zoysia grass into my lawn
18 because it's better drought resisting grass. I can't
19 afford to just go ahead and spend \$2,000 to just
20 transplant my whole lawn. That's a lot of money for a
21 young guy like me. I'm 28 years old and I do this. I
22 have a full family.

23 You know, I feel sorry for the people that are
24 on fixed incomes that can't do anything. I'm fortunate
25 enough to where I'm young enough, I'll go get a second

1 job if it came to that. I'm not afraid of that. But
2 you've got people here that can't do that. They're on a
3 fixed income and you guys are raising rates outrageous.
4 Do you not care? As long as you guys get paid and the
5 company and the profits, and I mean --

6 **CHAIRMAN GRAHAM:** Mr. Denmark, if I can get
7 you to kind of conclude in the next minute.

8 **MR. DENMARK:** That's it. Just think about
9 what you're doing to your customers. You're driving us
10 out. If I stay in the neighborhood any longer, I've got
11 to put a well in. That's going to cost me 3,000, 3,500
12 bucks. That's probably what I've got to use my income
13 tax check on next year, if I'm allowed to do it. I
14 don't even know if we can do it in our neighborhood
15 because we live on somewhat of a golf course that's been
16 let go. But I'm not even sure I'm allowed to drop a
17 well. But if I can, that's probably where my money is
18 going to go. And that's -- I would rather have spent
19 that on my kids, put it in the bank for college.
20 Instead I got to put a well in.

21 **CHAIRMAN GRAHAM:** Thank you, Mr. Denmark.

22 Hold on a second. We've got a question for
23 you.

24 **EXAMINATION**

25 **BY MR. MAY:**

1 Q Mr. Denmark, thank you very much for coming
2 this evening. I'm Bruce May. I represent Aqua. We're
3 going to be filing a response to your testimony and some
4 of the other customers' testimony on November 3rd, so I
5 want to make sure I have all the information that I can
6 as accurate as I can.

7 You had indicated that you had contacted
8 customer service representatives of Aqua on several
9 occasions.

10 A Correct. And also let me state, every time I
11 made a complaint, my next month's bill was outrageous.
12 It shot up every time.

13 Q Can you -- I'm sorry. Can you tell me what
14 month and what day?

15 A I have called numerous times. I couldn't tell
16 you.

17 Q Can you give me a range as to what week of
18 what month that you called?

19 A Well, the most recent had to have been
20 probably two months ago when we got the huge bill. I
21 mean, I just found out five minutes ago that they can
22 pull the calls, so I'm --

23 Q Approximately what, what -- a couple of weeks
24 ago, you think?

25 A No. A couple of months ago.

1 **CHAIRMAN GRAHAM:** Was it, was it within a week
2 or two of getting your bill? Do you know?

3 **MR. DENMARK:** It's always around the time I
4 get my bills because, I mean, that's when the rage goes
5 in. It's like when my water bill is more expensive than
6 my power bill, there's a problem.

7 **BY MR. MAY:**

8 **Q** But you've called within the last three
9 months?

10 **A** Yes.

11 **Q** Okay. Thank you so much.

12 **CHAIRMAN GRAHAM:** Thank you, sir. Thank you
13 for coming down.

14 Mr. Kelly.

15 **MR. KELLY:** Ms. Donna Ricketts, followed by
16 Mr. Dave Bussey.

17 Whereupon,

18 **DONNA RICKETTS**

19 was called as a witness on behalf of the Citizens of the
20 State of Florida and, having been duly sworn, testified
21 as follows:

22 **DIRECT STATEMENT**

23 **MS. RICKETTS:** Hello. I just have a few
24 things to say. We moved in the house six years ago, my
25 husband and I. Both made very good money, paid the

1 water bill. It was about \$40. The economy hit, jobs
2 lost. The water bill went up. I cannot water my lawn.
3 I live in a golfing community. My neighbors look at me
4 like what's going on here? I have two large dogs. They
5 need to be bathed. I cannot bathe them outside. They
6 have to go get bathed. We cannot, as other people have
7 said tonight, we cannot flush our toilets.

8 We did go to put the house up for sale. No
9 one wants to buy the house. They come around the
10 neighborhood, they talk to the neighbors. They find out
11 about the water bill. I have a neighbor behind me, the
12 water bill was \$240. People come and look at the house
13 and they say, sorry, we can't do it.

14 My husband now is at part-time, works at Race
15 Trac. I don't flush the toilets. I can't pay the
16 bills. We are just beside ourselves on what to do now.
17 It's just -- we're heartbroken that this beautiful house
18 that we have, we can't afford it anymore, and we can't
19 afford this water bill. Thank you.

20 **CHAIRMAN GRAHAM:** Ms. Ricketts, I have a
21 question for you. How long have you lived there?

22 **MS. RICKETTS:** Six years.

23 **CHAIRMAN GRAHAM:** And what, what's your
24 current water bill on average? Do you know?

25 **MS. RICKETTS:** Yes. 55. 52 to 55.

1 **CHAIRMAN GRAHAM:** And that's water and
2 wastewater?

3 **MS. RICKETTS:** And that's just for the two of
4 us. That's only for my husband and I.

5 **CHAIRMAN GRAHAM:** That's water and wastewater?
6 And that doesn't include your irrigation?

7 **MS. RICKETTS:** We don't irrigate anymore. We
8 cannot.

9 **CHAIRMAN GRAHAM:** Okay.

10 **MS. RICKETTS:** I take my laundry to my mom's
11 sometimes. We're just, we're besides ourselves. We
12 cannot afford to have this water bill go up again.

13 **CHAIRMAN GRAHAM:** Hold on.

14 Mr. May, questions?

15 **MR. MAY:** I have no questions. Thank you,
16 Ms. Ricketts.

17 **CHAIRMAN GRAHAM:** Ms. Ricketts, thank you for
18 coming down today.

19 **MR. BUSSEY:** Is there anybody else here
20 locally that wants to speak?

21 **CHAIRMAN GRAHAM:** There's some people that
22 want to speak for the second time. If you want to go
23 after they finish.

24 **MR. BUSSEY:** Well, let me see if I can get
25 through it.

1 **CHAIRMAN GRAHAM:** Okay.

2 **MR. BUSSEY:** As you know, I'm not much of a
3 talker.

4 Whereupon,

5 **DAVE BUSSEY**

6 was called as a witness on behalf of the Citizens of the
7 State of Florida and, having been duly sworn, testified
8 as follows:

9 **DIRECT STATEMENT**

10 **MR. BUSSEY:** I'm Dave Bussey. Do you need all
11 the rest of it?

12 **CHAIRMAN GRAHAM:** No, sir.

13 **MR. BUSSEY:** Okay. I'm Dave Bussey. I am
14 from Zephyrhills. I represent myself and also
15 FlowFlorida, and I speak for a lot of other ratepayers,
16 I suppose. I guess you'd have to ask them that.

17 I've been trying to put together a scenario
18 these past two days with you three Commissioners. And I
19 hope I can connect the dots tonight because I think
20 we'll be with different Commissioners at the next
21 meetings.

22 Before I start, I want to say something about
23 what you and I have heard these past three meetings.
24 Based on what you and I have heard these past three
25 meetings, and based on what Staff explained to you

1 Commissioners at the last rate case, I wish you would
2 have charged them with 100 basis points instead of 25.
3 25 is a kiss on the cheek. 100 is a slap in the face.
4 And according to Staff, you can always back that off at
5 any time you want but now you can't increase it, and
6 that's sad because of what we've been hearing. It's
7 really sad.

8 I passed out a handout that is from the last
9 rate case, pages 72 through 74, and I parenthesized it
10 with black ink. And I just want to make reference to a
11 couple of things because some of this has already been
12 said tonight about these statutes and the mission
13 statement and that kind of thing.

14 Regarding fair and reasonable rates, the
15 Commission is committed to making sure consumers receive
16 their most essential services, including water and
17 wastewater, in a safe, affordable, and reliable manner.

18 The section quoted next is the law that
19 pertains to setting rates. And briefly it just says,
20 "The Commission shall fix the rates and they shall be
21 just, reasonable, compensatory, and not unfairly
22 discriminatory." And then on, let's see, the next
23 paragraph there, "While we are required," this is the
24 Staff's statement regarding setting rates, "while we are
25 required to set reasonable rates, we must also set rates

1 that are compensatory." The statute does not include a
2 definition of just, reasonable, compensatory, and
3 unfairly discriminatory. So the staff has, since there
4 is no definition, has made a decision to go ahead and
5 use -- well, I'll get to that in a moment.

6 And then on the last page at the bottom, just
7 a little background about how Aqua got these systems.
8 Before these numerous smaller, higher cost water and
9 wastewater systems were acquired by Aqua, several
10 Southern States Utilities -- they have larger, lower
11 cost systems, and they sold those to municipalities and
12 government entities, leaving just the high-cost system.
13 Under the approved cap band rate structure, Southern
14 States Utilities had very large water and wastewater
15 systems that were subsidizing numerous smaller water and
16 wastewater systems. As a result, Southern States
17 Utilities' rates for the smaller, higher cost systems
18 were considerably lower than if the smaller systems had
19 to pay for their true cost of service.

20 AUF purchased a collection of the smaller,
21 higher cost systems without the benefit of the larger
22 systems that previously were subsidized -- that
23 previously subsidized the higher cost systems. Without
24 the benefit of the subsidization by larger systems,
25 there is an upward pressure on the rates of these

1 smaller systems.

2 And now to my, my very brief comments about
3 connecting the dots. Dot number one, AUF purchases
4 high-cost systems without the benefit of complimentary
5 large systems, as was the case with Southern States,
6 whom they purchased -- when they purchased the high-cost
7 systems from them. And because AFU -- or AUF didn't
8 have the benefit of subsidizing the high-cost systems
9 that they bought with prevailing larger systems like
10 Southern States Utilities did, the need for rate
11 increases began to climb with no end in sight.

12 Dot number two, the Florida Public Service
13 Commission has no mechanism in place to protect the
14 unsuspecting ratepayers from the resulting escalation of
15 the rates. Cross-subsidization of wastewater rates,
16 they're transferred into water rates to disguise as much
17 as possible the adverse impact on the ratepayers.

18 Dot number three, regarding the setting of
19 rates, current state statutes provide no definition
20 for -- I read that. Okay. So FS -- the Commission has
21 chosen to fix our rates primarily by addressing the
22 financial needs of the utility company without any
23 regard for what the customers are concerned with, which
24 is excessively high and ever increasing rates.

25 In connecting the dots, Aqua Utilities'

1 customer service changes the attitudes -- until they
2 change the attitudes of their customers across the
3 board, they will probably find it difficult to buy a
4 large system that has a big customer base, which they
5 really need to help keep the rates down for everyone
6 else. And I lost my place. And any additional
7 acquisitions of more high-cost systems until they do
8 that will only result in higher rates.

9 And the law makes it that way. Their hands
10 are tied, as Senator Hays said earlier. If -- and just
11 an example, if Aqua purchased several high-cost systems
12 from two or three of the largest water utilities -- then
13 I'm done with this -- if they purchased, say, ten
14 high-cost systems from one or two of the other
15 high-cost, large water systems here in Florida and
16 brought them before you, probably a 99% chance you're
17 going to give them a certificate based on the way things
18 are right now in Florida. And, whew, the rates go up
19 for everybody, and that's the way it is in Florida right
20 now. Legislation, as Senator Hays said, has to help
21 bring about some change. And I thank you for your time.

22 **CHAIRMAN GRAHAM:** Mr. Bussey, I truly want to
23 thank you for coming and for your comments. You do do a
24 good job of laying out the story, and I do appreciate
25 you being quick laying out the story this time. And I

1 don't know if I'll see you again before the service
2 hearings are done, but I did want to take that time.

3 And, Mr. May?

4 **MR. MAY:** Mr. Bussey, thank you for coming,
5 and no questions.

6 **CHAIRMAN GRAHAM:** Mr. Bussey, thank you very
7 much for your time.

8 **MR. BUSSEY:** Give him a moment.

9 (Laughter.)

10 Thank you.

11 **CHAIRMAN GRAHAM:** All right. If there is
12 anybody else that was cut off earlier that had anything
13 else you want to add, please come up. And I apologize
14 for having to cut you off earlier, but I just wanted to
15 make sure that we got through everybody.

16 Whereupon,

17 **KEITH GOODMAN**

18 was called as a witness on behalf of the Citizens of the
19 State of Florida and, having been duly sworn, testified
20 as follows:

21 **DIRECT STATEMENT**

22 **MR. GOODMAN:** I was going to say that's okay.
23 My wife does it quite frequently.

24 (Laughter.)

25 Last -- well, one more point I guess relative

1 to the handout you have.

2 **CHAIRMAN GRAHAM:** You may want to pull that
3 mike down just a little.

4 **MR. GOODMAN:** Is again going back to the
5 quality of service. One example is we have a customer
6 again with two Aqua accounts called in to establish what
7 Aqua is trying to do to again cut their costs. And, of
8 course, in this case they tried to establish electronic
9 billing with email. So the first account was
10 established with no problem. The second account was
11 being input, and then the customer service rep requested
12 an email address for the second account. So the
13 customer tried to give them the same email address. The
14 CSR simply stated, well, the second account had to have
15 a different email address from the first; i.e. each
16 account had to have a discrete email account. So the
17 customer was trying to reduce the cost to Aqua for
18 mailing two separate billing statements, as well as make
19 it more convenient for the customer themselves.
20 Unfortunately, having to add an additional email account
21 defeats the whole purpose of the process anyhow.

22 So, again, it's strictly a matter of
23 competence, it's a matter of accounting, it's a matter
24 of handling whatever software they may have to do these
25 things. Because they've got my same address on the two

1 accounts today for regular mail, and I know darn well
2 you can do the same thing with email.

3 Another point or question, back in May the 4th
4 of 2007 there was a letter that came from Aqua Utilities
5 Florida to the Fairways at Mount Plymouth customers.
6 And it says, "Under the terms of our purchase agreement,
7 the change in ownership will have no effect on your
8 existing rates." There's no date, nothing prescribed
9 there. My question is specifically what are the terms
10 and the purchase agreement when you purchased Aqua -- or
11 when you purchased the facilities for the Fairways at
12 Mount Plymouth?

13 One other comment. I guess you've heard from
14 several folks here in the Fairways of Mount Plymouth,
15 and, yes, what they've identified is exactly correct.
16 The rates that we now have, as being president of the
17 homeowners association, is putting me in a complete
18 bind. Right now, as you saw from the pictures that I
19 provided, here's what the lawns and here's the way the
20 community looked as far as their outward appearances.
21 And you saw the transition when we went from a basic
22 rate that we had down into the interim rate that you see
23 today, and tomorrow it's getting, it's getting worse.
24 And, yes, I have people who are attempting to sell their
25 houses, and I say attempting right now. And, further,

1 these things are causing foreclosures. We're going to
2 have vacant houses, and obviously the prices of our
3 houses that we've invested in are doing nothing but
4 going down. And, quite frankly, the rate increase being
5 granted by the PSC and being requested by Aqua Utilities
6 is having a severe economic impact, if you will, on the
7 whole neighborhood. We're going to see more
8 foreclosures, and the neighborhood is going to look like
9 hell. And I say that as president of the homeowners
10 association.

11 So I guess the other thing is in the last
12 go-round with the rate request, I asked at that time
13 with a letter and a petition going to the PSC to say I,
14 our community and our water facilities have no physical
15 ties other than the accounting system for Aqua Utilities
16 to any other water facility that they may have. Our
17 community would be willing to pay the rates that would
18 be established based on the investment that exists in
19 our community. I have no relationship to any other
20 community in the whole state or within the County of
21 Lake. Why are we being bundled together so that we can
22 share the wealth with other communities wherever there
23 may be problems?

24 We had a rate that was established, and I'm
25 assuming that that rate met the requirements for the

1 investment within our community. I don't believe that
2 there is a need to spread this across because there's no
3 physical ties. It's not like a power company. It's not
4 like a telephone company. It's not like any other
5 utilities that have common facilities. It's a
6 standalone plant, and the rates ought to be based on the
7 standalone costs of that facility. I have not received
8 a response back from that petition. Thank you.

9 **CHAIRMAN GRAHAM:** Sir, thank you for coming.
10 A question I have for you --

11 **MR. GOODMAN:** Yeah.

12 **CHAIRMAN GRAHAM:** -- you were talking about
13 the foreclosure rate.

14 **MR. GOODMAN:** Yes.

15 **CHAIRMAN GRAHAM:** Do you -- is the foreclosure
16 rate different than the statewide average? The
17 foreclosure rate, is it twice as much? Do you know?

18 **MR. GOODMAN:** I really don't know the rate,
19 but I can tell you it's terrible.

20 **UNIDENTIFIED SPEAKER:** It's high.

21 **MR. GOODMAN:** Yeah, it is.

22 **UNIDENTIFIED SPEAKER:** For the amount of homes
23 that we have, yes.

24 **CHAIRMAN GRAHAM:** Hold on. We have a question
25 from Commissioner Balbis.

1 **MR. GOODMAN:** Sure.

2 **COMMISSIONER BALBIS:** Thank you. And thank
3 you for coming, and I appreciate this PowerPoint
4 presentation. I think it's very well done.

5 And I have one or two questions. One, the
6 second to last page you indicated an example of the
7 customer with two bills and two different accounts and
8 the crediting issues, et cetera. Do you have specific
9 information on those two accounts?

10 **MR. GOODMAN:** They have it in their call
11 reports. It's for -- the address would be 30730 PGA
12 Drive. And the account, it should be under Williams,
13 Natalie or Brentlyn, B-R-E-N-T-L-Y-N, Williams.

14 **COMMISSIONER BALBIS:** Okay. Thank you. And I
15 appreciate your stance on the subsidization because
16 that's one thing that the Commission will be presented
17 with is whether to have the uniform rate or have
18 individual standalone rates. And the challenge that we
19 have is that for a lower cost system, you might have
20 your rates here. But then the higher cost systems, it
21 will be even higher. So those are the types of issues
22 that we're facing. So I appreciate you commenting on
23 that.

24 **MR. GOODMAN:** Well, I mean, I can appreciate
25 it because I see what they're paying down at OUC and I

1 see what we're being charged with here. So if we want
2 to go to that, then we really ought to go statewide, all
3 utilities pay the same price. It's the same, it's the
4 same resource. So if the rationale stands the way we're
5 trying to apply it here across one company, then why
6 doesn't it make sense to go statewide for all prices for
7 water so that my water bill is the same for the same
8 number of gallons as what it would be in Apopka or
9 Orlando, beautiful downtown Lake Mary?

10 **COMMISSIONER BALBIS:** And that is one of those
11 issues where Senator Hays would be able to address.
12 Unfortunately he's not here, but I --

13 **MR. GOODMAN:** Yeah.

14 **CHAIRMAN GRAHAM:** I think the biggest problem
15 you run into is then it goes from being a user fee,
16 paying for what you're using to a tax. And, you know,
17 then there's how do you, how do you control people being
18 conservative of water or not? There's nothing to stop
19 you from turning your water on and watering everything.

20 **MR. GOODMAN:** Well, let's examine it a little
21 further. In one of the other letters that I sent in to
22 the Commission is you're saying in the rates, as we can
23 see, as the volume goes up, the price of the water goes
24 up. So the rationale that we're using in the rulings
25 says, well, that's going to reduce, if you will, the

1 amount of volume being used, so we're going to conserve
2 water. Right? Not if now I say I can put in a well and
3 I can pay for that in less than two years and you have
4 no control over how much volume I can use. So obviously
5 that's going to defeat the purpose that you're trying to
6 do anyhow, and that's conserve the resources. Because
7 the more wells that go in, the more volume of water is
8 going to be used, and that's still affecting the
9 aquifer.

10 **CHAIRMAN GRAHAM:** I was going to say --

11 **MR. GOODMAN:** So now you lose control over it.

12 **CHAIRMAN GRAHAM:** I was going to say, just
13 like everything else, that sounds like a good idea
14 today. But as time progresses and the aquifer starts to
15 go dry, then you'll see the St. Johns River Management
16 or whichever water management group you have here
17 changing the rulings, changing the laws, and all of the
18 sudden you spent \$3,500 for a well that you can never,
19 you can't use again because they're going to require all
20 those wells to come out. I mean, I'm speculating, but,
21 you know, there's, there's a diminishing return to where
22 all of the sudden you get to the point where everybody
23 went too far.

24 **MR. GOODMAN:** Probably true. So what I'm
25 saying is your rate structures that you have are driving

1 people that way, as, as Aqua pointed out in the request.
2 In one development there was 138 wells put in. So
3 there's 138 examples of what the rates, the rate
4 structures you're using is actually causing.

5 **CHAIRMAN GRAHAM:** Yeah. I mean, we can sit
6 here and have philosophical discussions all day long.

7 **MR. GOODMAN:** Yeah. Yeah.

8 **CHAIRMAN GRAHAM:** But I do appreciate your,
9 your position. And as Commissioner Balbis had said,
10 that's a difficult thing. I know it's a position that
11 the Commission took before we got here. It's something
12 that we're still dealing with. Because what may sound
13 burdensome to you is helping some of these other people
14 from paying four and five times as much. And so, and as
15 Mr. Bussey said earlier, some of those larger systems
16 that were out there before, those things aren't there
17 anymore, so there's a lot of little small systems. And
18 the small systems aren't as efficient as the big systems
19 are. And the big systems were bought up by the counties
20 and bought up by the municipalities and that sort of
21 thing. I mean, so --

22 **MR. GOODMAN:** I understand.

23 **CHAIRMAN GRAHAM:** So we -- it's our job to
24 sort through this and --

25 **MR. GOODMAN:** And I, by the way, I don't envy

1 you. Thank you.

2 CHAIRMAN GRAHAM: Thank you, sir.

3 THE COURT REPORTER: Could we get his name on
4 the record, please? I don't think I got it on the
5 record.

6 CHAIRMAN GRAHAM: Mr. Goodman.

7 MR. GOODMAN: Yeah. Keith Goodman.

8 THE COURT REPORTER: Okay. Thank you. I just
9 wanted to make sure.

10 CHAIRMAN GRAHAM: There's people right behind
11 you.

12 MR. HILGENBERG: Mr. Graham, I didn't --

13 CHAIRMAN GRAHAM: You have to come to the
14 mike. You have to come to the mike.

15 MR. HILGENBERG: I didn't sign up, but I'd
16 like to just say a couple of words.

17 CHAIRMAN GRAHAM: If you would just give your
18 name and address for the record, and then go over to
19 Ms. Muir and she'll have you fill that out. And before
20 we do all of that, I have to swear you in.

21 (Witness sworn.)

22 Whereupon,

23 JERRY HILGENBERG

24 was called as a witness on behalf of the Citizens of the
25 State of Florida and, having been duly sworn, testified

1 as follows:

2 **DIRECT STATEMENT**

3 **MR. HILGENBERG:** I just had a couple of
4 things. My wife and I lived in Kings Ridge, which is
5 down in Clermont, a very nice community. We decided we
6 wanted to leave the 55-year-old community and move up to
7 a community where we had children and families living
8 and a little bit larger home. We looked in a number of
9 areas north of Clermont and we found an area north of
10 Clermont that we would have enjoyed moving into and
11 found that the water service there was handled by Aqua
12 Utilities. The bills that averaged in that community
13 were well over \$400 a month. And I don't know how it
14 got resolved, if it ever did get resolved, but we made
15 up our mind at that point we would never move into a
16 community that Aqua had.

17 But when we moved up here and decided to move
18 into the Fairways at Mount Plymouth at 30218 PGA Drive,
19 it was owned by Apopka Water and Apopka Water was doing
20 the billing. The water rates were excellent. I
21 couldn't complain. When Aqua bought it, everything
22 changed. And the rates continue to go up, as you've
23 heard all night.

24 Unfortunately, with the economy the way it is,
25 I lost over 50% of the value of my home. I can't afford

1 to move, so I have to stay. So whatever the rates are,
2 I'll have to find a way of paying them.

3 I am retired. I'm on a fixed income. So
4 whatever it is, I got to pay it somehow. So whatever
5 you do, consider everything. You can look at the photos
6 that Mr. Goodman gave you. The condition of the lawns,
7 including mine, is going to deteriorate. And
8 unfortunately that affects everybody within the Fairways
9 because it affects how we sell our homes and the money
10 that we get for them. So they continue to depreciate
11 even more so than what the economy has done. So please
12 when you're looking this over, guys, take a look at
13 those photos. See what we have to go through. And make
14 the right decision, not only for the people in the
15 Fairways, but for everybody that Aqua is under control.
16 We don't have a choice; we're stuck with Aqua. If I had
17 a choice, I'd move tomorrow. Thank you very much.

18 **CHAIRMAN GRAHAM:** Hold on a second.

19 **EXAMINATION**

20 **BY MR. MAY:**

21 Q Thank you for coming out. Thank you for
22 coming out, sir. I did not -- I don't think we got your
23 name.

24 A Okay. It's Jerry Hilgenberg,
25 H-I-L-G-E-N-B-E-R-G.

1 Q Thank you, sir.

2 CHAIRMAN GRAHAM: And, sir, if I can get you
3 to step over there where Ms. Muir is and fill out the
4 paperwork.

5 MR. HILGENBERG: Yes. Thank you.

6 CHAIRMAN GRAHAM: Mr. Bussey.

7 Whereupon,

8 DAVE BUSSEY

9 was called as a witness on behalf of the Citizens of the
10 State of Florida and, having been duly sworn, testified
11 as follows:

12 DIRECT STATEMENT

13 MR. BUSSEY: Mr. Goodman mentioned
14 across-the-board rates. And in my conversations with
15 Mr. Stallcup, who is the rate setter guy at the PSC, he
16 has made it very clear to me that both the Public
17 Service Commission and Aqua would prefer
18 across-the-board rates. But Mr. Stallcup has said the
19 reason that the Public Service Commission can't do that
20 is because of the high cost systems.

21 CHAIRMAN GRAHAM: Thank you. Anybody else?

22 Yes, sir.

23 MR. ANDES: I just want to clarify something.

24 THE COURT REPORTER: Could you state your name
25 again for me.

1 Whereupon,

2 **GREGORY ANDES**

3 was called as a witness on behalf of the Citizens of the
4 State of Florida and, having been duly sworn, testified
5 as follows:

6 **DIRECT STATEMENT**

7 **MR. ANDES:** Andes, A-N-D-E-S, Gregory. I just
8 want to clarify something. You guys are pretty much new
9 Commissioners and you're a new Chairman.

10 **CHAIRMAN GRAHAM:** Yes, sir.

11 **MR. ANDES:** And how long has that been in
12 effect honestly?

13 **CHAIRMAN GRAHAM:** About a year.

14 **MR. ANDES:** Okay. Because you were on the one
15 that we had 11 months ago, and I was just wondering.
16 Because we lost Commissioner Scope or Scoop.

17 **UNIDENTIFIED SPEAKER:** Skop.

18 **MR. ANDES:** Skop. There we go. He was here
19 at the last meeting. And I just want to make sure that
20 it's, for the record, you guys are going to be here to
21 follow this through so we have an appointed person to
22 hold accountable for the mistakes and the, and the
23 atrocities that we may face, because this is all
24 politics to me.

25 **CHAIRMAN GRAHAM:** Well, short of any tragedy

1 coming along, I think the three of us will be here, or
2 the current Commission will be here for the next at
3 least three years because we all just got appointed.

4 **MR. ANDES:** Okay. Okay. I just wanted to
5 verify because, you know, I, I can hold you to your word
6 on it on record.

7 **CHAIRMAN GRAHAM:** Oh, yeah.

8 **MR. ANDES:** Okay. Thank you.

9 **CHAIRMAN GRAHAM:** Thank you, sir.

10 Once again, I want to thank everybody for
11 coming and thank you for your time. And stay tuned.
12 That all being said, are we in good order for everything
13 being put into the record and labeled?

14 **MR. JAEGER:** We've identified. We don't move
15 anything.

16 **CHAIRMAN GRAHAM:** All right. That all being
17 said, we are adjourned.

18 (Proceeding adjourned at 9:07 p.m.)
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STATE OF FLORIDA)
 : CERTIFICATE OF REPORTER
COUNTY OF LEON)

I, LINDA BOLES, RPR, CRR, Official Commission Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorneys or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 27th day of September, 2011.

Linda Boles
LINDA BOLES, RPR, CRR
FPSC Official Commission Reporter
(850) 413-6734