

Christopher Cooney

From: Perry Nickerson <pjnickerson@live.com>
Sent: Tuesday, April 07, 2015 5:05 PM
To: Records Clerk
Cc: Perry Nickerson
Subject: Docket # 140135-WS
Attachments: fpscletter2015.docx

Att: Florida Public Service Commission

Re: Labrador Utilities, Inc.
Docket No. 140135-WS

Name: Perry NICKERSON

Address: 5747 Viau Way (Forest Lake Estates)
Zephyrhills, FL 33540

At this time I wish to make several comments regarding the extreme rate increase that Labrador Utilities Inc., has requested in the above regards.

For the last four years I have been a Director and Treasurer (3 years) on the Forest Lake Estates Co-op board. I am a retired Canadian Citizen and I lived/owned in Forest Lake Estates for the last ten years and for the last seven years I have stayed in the community for approximately 5 ½ months each year. Due to the dates of this hearing I am unable to attend as I have to return to Canada before May 1st. I would also like to add that a large number of the Forest Lake Estates residents fall into the same dilemma.

I was a Police officer with the Royal Canadian Mounted Police for 34 years and worked at other jobs both before and after my stint in the RCMP. After leaving home to go to work I have lived in four Provinces in Canada and a total of 18 different communities and cities. As a result I have a number of different utility providers. I must say Labrador Utilities Inc. would be at the bottom of my list when rated for services, dependability and quality of product provided.

A few years ago I attended the last Tallahassee RPSC hearing that was held to discuss the rate increase. A couple of years after this meeting Forest Lake Estates managed to get Labrador Utilities Inc. onside to meet and discuss and to some degree fix some of the outstanding sewer problems only after a last minute push by FLE to either start meetings or we would complete our lawsuit against them as the court case was set to proceed within the next couple of months. The results was a written court agreement stating the number of meetings the two groups would have, how often and that both groups would try to agree as to what measures would have to be taken to improve the quality of sewer service provided to the customers.

I would like to make it clear that unlike some of the FLE customers I do not have trouble with my drinking water; however I do have a filter system than causes the water to go through four filters before I use it for drinking and cooking. I also will say that after the \$650,000 cost (or whatever the total amount was) the sewer system air quality has improved. On only a couple of occasions during the last four months I have noticed a slight odor from the sewer plant and this odor had vastly improved.

My biggest concern/s are the increase in rates that is being requested to provide both these improvements and those improvements that are planned at a later time.

From reading our 2011 Forest Lakes Estates funded Engineer study (where FLE had to obtain an Court order allowing FLE to inspect the Labrador Utilities sewer plant) and later from an engineer report completed (2013) by Labrador Utilities on their sewer plant it appears that most of the problems relating to excess smell was the result of equipment that had been neglected over the last number of years. This equipment downfall included corroded, poorly cleaned and maintained collection system, headwork and surge tanks, a rotary drum strainer/screener that was ineffective do to its age and condition among other things. In short it appears that Labrador was doing as little as possible to keep the plant running in a good order. It would be no different than if you do not change the oil in your car motor when required, sooner or later you will have to purchase a new motor. In this case why would Labrador Utilities care about spending money on their operating expenses down over the years knowing their customers would have to foot the high expense when the time came due to make the expensive repair. Which is going to occur in this case if the rates requested are allowed. I feel that a company should have to show that they provide the best service they can in order to be rewarded for this service, not do as little as you can and then expect to get a huge increase.

It appears that the same thing has occurred involving the water system as the Florida Office of Public Counsel letter states the company had initially requested \$100,000 for a new water storage tank and were given monies to defer maintenance over five years and did not spend any of this money and are now requesting \$172,000 for the same new water storage tank.

During our court ordered meetings with Labrador Utilities officials they continued to advise the FLE Board of the different types of repairs that could be made to the sewer plant and the cost of each. We were never shown the bills for the expenses however were told that the cost per customer for these repairs would be at the maximum of \$6.00 per customer per month. I was completely shocked when I received the notice that the increase requested was a \$15.90 monthly sewer water increase. Adding to the fact a couple of weeks ago Patrick Flynn gave the FLE Board a tour of the improvements/repairs completed on the sewer plant. During the tour I got to see the new strainer/screener and one of the employees advised with the new system now only required a truck coming to the plant a couple of each month to remove the material each month while the old system require at least daily plus service. Mr. FLYNN also make the same comment at the end of the tour advising us that this new system was saving them and in turn the customers a large amount of monies regarding operating expenses. Mr. FLYNN refused to answer my question to why the requested rate of \$6.00 had increased to \$15.90.

As for Labrador Utilities filed application to the FPSC regarding the rate increases I am not sure where they have come up with the fact that Labrador provides service to approximately 760 water and 750 wastewater customers. In fact at present there are 887 homes in the FLE main park with an addition 274 RV sites (both seasonal and part-time) in the RV side of FLS. On the RV side their water is provided by FLE Co-op thus there is only one customer however FLE also has approximately eight other bills from Labrador and therefor is a big customer (not a single homesite). It should be noted in

FLE the customers are no allowed to have seasonal service from Labrador Utilities so me and the rest of the residents have to pay for 12 monthly bills even though we only use the service on for five or six months, unlike what other cities etc. allow.

A large portion of the Utility customers if not all are retired. Persons both from the US and Canada who have had little or no increase to their pensions and little or no income via investments during the last several years. Due to the rate increased requested it will mean that a number of the present residents will no longer be able to afford to come south during the winter and will effect both our community and the State of Florida as a whole. During the last two years FLE understands the effect cost increases are having on its residents and as a result have tried to cut our spending in a number of areas. As a result we have managed to have a zero increase in home owner maintenance fees. We are getting to the point we can no longer afford to continue this practice and therefore do not know what will happen to our community should the Utilities be allowed to get big profits and huge rate increased.

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