

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 21, 2015
TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk
FROM: Kelley F. Corbari, Senior Attorney, Office of the General Counsel *KFC*
RE: **Docket No. 140219-WU** – Application for staff-assisted rate case in Polk County by Alturas Utilities, LLC.

Docket No. 140220-WU – Application for staff-assisted rate case in Polk County by Sunrise Utilities, LLC.

Attached please find a copy of correspondence received from Alturas Utilities, LLC and Sunrise Utilities, LLC in regard to the above-referenced docket files. Please file the attached correspondence in the correspondence tab of both docket files.

Thank you for your assistance in this matter. Should you have any questions, please do not hesitate to contact me.

KFC

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15 AUG 21 11:10:29
COLLEEN JOH
ELLERK

Kelley Corbari

From: Kelley Corbari
Sent: Thursday, August 20, 2015 3:54 PM
To: l.szabo@rogers.com
Cc: Clayton Lewis; Jeffery Small; Keino Young; Kelley Corbari; Laura King; Martha Golden; Matthew Vogel; Sonica Bruce
Subject: 140219/20 Alturas/Sunrise - Status Update

Mr. Szabo -

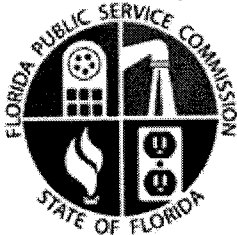
I have met with Staff regarding the responses you provided to Staff's Fourth Data Requests. Staff identified some problems with the deposit and billing records you provided and now Staff is working on another set of questions in order to get additional information. In addition, Staff is preparing an outline of the problems with the records and the corrective action that the Utilities will need to take immediately to resolve the issues. Staff hopes to have the outline and questions completed and sent out to you by the end of next week.

While Staff is working on the outline and questions, I would like to provide you with a brief explanation of the issues Staff has identified. If you are available tomorrow afternoon, please give me a call and I will try to explain the issues.

Thank you,
Kelley

Kelley F. Corbari,

Senior Attorney - Regulatory Analysis Section
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Kelley Corbari

From: L SZABO <l.szabo@rogers.com>
Sent: Friday, August 21, 2015 7:40 AM
To: Kelley Corbari
Cc: l.szabo@rogers.com
Subject: received you letter
Attachments: Corbari customer billing..docx

Good Morning Ms Kelly,

Please let me know the approximate time I should expect your call this afternoon..

I hope you will understand my reasoning of the attached letter.

Thank you,

Leslie Szabo

August 21, 2015

Hello Ms. Kelly,

Of course I am always happy to talk to you and by doing so we always learn from each other.

This time I must let you know up front my position in the matters mentioned in your letter.

The system we are having regarding customer billing and collection is the same since 2005 and initiated from Keen Sales and everybody in the water utility business using the same or very similar format for keeping proper customer deposit records, and for the monthly billing and collection of payments.

It is the most widely used in the water utility trade and practiced as a very reliable tool for customer billing.

Perhaps the people looking at the data's we have sent did not realize they were only as typical examples from the operation and they are absolutely not related to each other and are from different time period.

When they have asked if we have the proper billing system and wanted to help, I gave the above documentation as a reassurance to the question.

Our answer is still Yes , we do have the foolproof proper billing and collection system and we are not changing it.

We had passed many previous rate case applications and nobody objected or ever questioned our accounting system related to customer deposits held, or our monthly billing and collection practice.

Please explain to the Stuff there is no need for any more questions, - regardless of their assumption - the business is run as a business and we refuse to explain again and again the obvious.

I very much regret if the PSC was not able to realize the complains heard at Sunrise customer meeting was very much unfounded from the treatment to the Spanish community to the quality of the water, and to some artificial claims regarding customer bills not owed was very one sided for their own benefit.

Again we stand behind every bill sent to the customers being valid, and many time being too liberal without disconnecting their water service.

I assumed I will be able to shed light with Sondra Myers or Wiley Pratt paperwork for the many expenses we are having and proved our ability to run the business with our very limited revenue.

I must refuse to answer for more questions and to be exposed to any further cross examination – we are not at trial - and if the PSC does not have any realistic knowledge by now of our water utility needs and the difficulties we are having, - more questions would be time wasted without any realistic grounds.

We have no more answers to give, but willing to have a conference call to straighten out the misunderstandings for the good of the case.

We have also learned many things within the questions of the last 10 months and already committed ourselves from the many suggestion of the PSC.

Already joined the FRWA and starting to work as of Sept 1 with the new accounting firm in Bartow , - and this was done without any commitment from the PSC part, - but for the sake of the business I have decided to act upon.

We have always answered to all your questions without causing any delays, and excavating the past in more and more depth will not change the facts of the past.

I am living with the daily realities and must concentrate to solve the enormous difficulties we are having and must live my decision outlined in this letter for the survival of Sunrise and Alturas.

The repairs from the electric panel to the in ground rusty piping must be looked after and we must satisfy the Polk County Health Department compliance orders.

If there are any further delays the PSC commission failed to act on their responsibilities to protect Sunrise and Alturas customers from the unavoidable services interruption and health hazards by delaying hearing of our case.

All I am asking please present our rate case application in your September schedules based on the information you already have, - from the Auditor Report and to the many questions being answered.

I am certain the PSC will grant us the necessary rate structure not to have any longer an underfunded operation for all parties benefit, and put the whole situation at risk.

Yours truly

Leslie Szabo