

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 31, 2016
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. 140220-WU** – Application for staff-assisted rate case in Polk County by Sunrise Utilities, LLC.

Attached please find a copy of a correspondence from Sunrise Utilities, Inc. regarding the establishment of service to a new customer and frustration with Commission inquiries. Please file the attached document in the documents tab of the above-referenced docket file.

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

KFC

From: [L.SZABO](#)
To: [Danielle Roth - OPC](#); [Kelley Corbari](#); [Keino Young](#); [L. SZABO](#); [Charles Murphy](#)
Subject: Rose Blizzard
Date: Monday, August 29, 2016 9:59:29 AM
Attachments: [Rose Blizzard.docx](#)

lszabo@rogers.com

CC

[Charles Murphy](#) [Keino Young](#) [Danielle Roth - OPC](#)

Aug 26 at 11:57 AM

Mr. Szabo,

Rose Blizzard is a new resident in the Sunrise service area. She has attempted to contact Sunrise for 2 days in order to turn on water service, but she has not been able to reach anyone at Sunrise.

Please have someone contact Ms. Blizzard immediately to initiate water service. Her contact information is: Rose Blizzard 863-662-7755

Please let me know by the end of today to let me know whether Sunrise has contacted Ms. Blizzard and connected her water service.

Thank you,

Kelley

August 29, 2016

Dear Ms. Corbari,

We are always aware of all the activities on a daily base of the Utilities.

Your continuous direct involvement and encouragement to Sunrise consumers to make complains to the PSC for any reason, - is causing us additional work and expenses.

You have not once stayed natural and always took the opposite side of our interest.

We always answered timely to all complaint received from the PSC even from individuals not even having a residency or having any water services from us.

Receiving our timely answers to the customer complaints, the PSC, always closed the case from their end, - but without any acknowledgment to us, that no rules were broken from our part and we were doing our job properly.

In your latest request you are demanding to have our answer within the same day for ONE individual questionable complain of Ms. Rose Blizzard and ordering to rectify the situation at once and within the same day without being aware of the real facts.

Looking at your letters sent to the many individual at the PSC to bring it to their

attention our deficiency (if any) we are also sending a copy to each of them of our factual explanation.

In that spirit, It is our time for not ONE person individual interest, but ALL SUNRISE CONSUMER INTEREST to bring it to the surface our disappointment and the enormous difficulties was caused by the PSC the way our SARC was handled and our customers rights unjustifiable denied.

Having firsthand experience to work with you and to provide you with all the paperwork and the many personal telephone conversation we had, you have already affirmed your position by stretching our SARC approval for 22 months.

On the surface it was not done unitarily only by you, but all the rules were applied to fit the purpose not coming forward with help to Sunrise consumers or to us as business investment, – and without any explanation as of date.

In the process we have also been cautioned, if we are not willing to sell to one of the Mega Corporation, and the possibilities if no adequate help will come from the PSC part, our customer's continuous water supply and our ability to remain in business might be in jeopardy.

We have found this very uncharacteristic to the PSC mission statement

Hoping to be heard at the final meeting at our case approval, - I was silenced and humiliated and not able to say one word, just allowed to listen to all the distorted and unrealistic decisions made.

Sunrise Utilities was left entirely on their own without any help from the PSC for the funding need it for the necessary improvements and compliances ordered by the PCHD and already being submitted with the many paperwork requested from us.

No help was given, - without even mentioning having a Reserved Found.

The PSC is aware to the many Factors leading to the Abandonment the smaller water utilities.

We do not intend to abandon our business, just asked for help with the SARC

The first and the most devastating are the closely related problems of inadequate cash flow.

The need for major upgrades or improvements does not necessarily result from deferred maintenance or neglect.

The fixed cost of operating water and wastewater treatment plants are a large portion of total cost.

The Florida PSC has been a leader in reducing the regulatory burden on small systems by offering Staff Assisted Rate Cases (SARC); however, a SARC is a long and arduous process.

Unfortunately, as noted above, rate relief through the SARC process takes at least

six months. **In our case it was stretched for 22 months.**

Of the cases studied, by the various level of Government several utilities were abandoned during the SARC.

The problem with traditional regulation arises when a utility has little or no rate base.

When rate base is low, traditional regulation provides insufficient cash flow through interim funds that the utility needs to maintain financial viability.

Most abandoned utilities are not covering operating expenses with existing rates and, as noted above, this problem is not quickly rectified.

A receiver or a Mega Corporation seeking a rate increase will likely be viewed with great hostility.

Further, when the rate increase exceeds 100 %, common for systems customer frustration and resistance can increase significantly.

Customers understandably protest having to pay double or triple the previous rates when there is no reason to believe there will be better quality service and rate stability in the future.

We are proud that 90 % of Sunrise Utilities consumers are satisfied with our water services and very much appreciate having the lowest rate in the entire area.

Listening to them, they would rather accept a fair rate increase than be thrown into an uncertainty situation created by the PSC.

Yours truly,

Leslie Szabo

l.szabo@rogers.com

CC

[Charles Murphy Keino Young Danielle Roth - OPC](#)

Aug 26 at 11:57 AM

Mr. Szabo,

Rose Blizzard is a new resident in the Sunrise service area. She has attempted to contact Sunrise for 2 days in order to turn on water service, but she has not been able to reach anyone at Sunrise.

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Thank you,

Kelley

August 29, 2016

Ms. Corbari,

Here are the Facts to your questions.

Mike did answered to Ms Rose Blizzard call on the emergency repair line and sent a text message to process her request.

How would he be able to send a message to Debbie without talking first with Rose Blizzard.

-----Original Message-----

From: Mike Watkins <mikewatkins6560@gmail.com>

To: Debbie Valle <mmvalle58@aol.com>

Sent: Thu, Aug 25, 2016 1:15 pm

Subject: New customer

For 2590 Nelson in sunrise Mrs rose blizzard is her name phone # 863-662-7755 email is B267674404@Gmail.com needs paper work and pay deposit its Erica Hoffman old place that i shutoff yesterday.

-----Original Message-----

From: Debbie Valle <mmvalle58@aol.com>
To: B267674404 <B267674404@Gmail.com>
Sent: Thu, Aug 25, 2016 7:54 pm
Subject: water service application

Hello Ms. Blizzard:

Attached please find the water service application for Sunrise Utilities that you requested. Once completed please return it along with the required documentation to the P.O. Box shown on the form. There is a deposit required of \$52.00 along with a \$15.00 connection fee. Once I have received your application back along with the fees we can connect your service. Please feel free to email me with any questions.

Debbie Valle

To
l.szabo@rogers.com
Aug 26 at 3:44 PM

Leslie - this is what I sent to Ms. Blizzard last night based on her own email address.

To
l.szabo@rogers.com
Aug 26 at 3:43 PM

Now, Mike sends me this email this morning - apparently she didn't know her own email address so I sent it to her AGAIN this morning. How dare they say no one talks to them or responds to them. Now we have proof. As I've said all along, these people in Sunrise aren't the brightest on the block!!!

Debbie Valle

To
Debbie Valle
Aug 26 at 5:41 PM

Ok, we both agree,

Did you sent something to Kelly Corbari or you want to send the summarized version to me and I will send it to her to let the PSC know I am not ignoring them. The work week is over anyhow we have time.

You decide what to do or we should wait until for further development until Sunday night, before the PSC officially stars to work Monday.

Leslie

To

l.szabo@rogers.com

Aug 26 at 6:13 PM

No, I didn't send anything to Kelly Corbari but I can if you want me to. I'm just tired of these people waiting until the last minute and expecting service and then blaming us for everything they do wrong. I sent her the application the moment that I knew she wanted service. Why would anyone wait until the day they want service to request it? I guess they think we are just sitting around waiting for their call.

Debbie Valle

To l.szabo@rogers.com

Aug 28 at 7:42PM

Hi Leslie:

No more word from Ms. Blizzard.

Debbie Valle