

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: September 13, 2016

TO: Hong Wang, Chief Deputy Commission Clerk, Office of Commission Clerk

FROM: Carlotta S. Stauffer, ^{CS}Commission Clerk, Office of Commission Clerk

RE: Correspondence for Docket File

Per discussion at Commission Conference this date, please place the attached correspondence from Senator Simpson and Speaker-Designate Corcoran in Docket No. 150269-WS.

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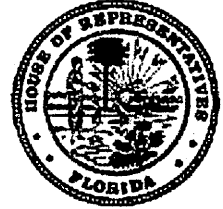
Attachment



SENATOR WILTON SIMPSON
18th District

THE FLORIDA SENATE
THE FLORIDA HOUSE
OF REPRESENTATIVES

Tallahassee, Florida 32399-1100



SPEAKER-DESIGNATE
RICHARD CORCORAN
37th District

September 13, 2016

Julie Brown, Chair
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32311

Chairman Brown,

In March, we wrote to you regarding our constituents in the Summertree community. At that time, we had serious concerns about the high prices being charged, especially considering the quality of the water being received. We appreciate your response to our correspondence, and the time that you, the other commissioners and staff spent coming to Pasco County and meeting with the residents of this wonderful community.

Today, as you consider approving a rate increase contingent upon the interconnection that will take place so that these residents can have access to Pasco County's water supply, please be aware that our concerns remain.

Water is not a luxury. It's a necessity for all living things to survive. During a 17 year period, the Public Service Commission granted multiple rate increases to Utilities Inc. of Florida (UIF). These decisions resulted in water rates increasing by over 110% for the average consumer in Summertree. Wastewater rates were increased as well.

These consumers are still struggling to find ways to survive, although many live on fixed incomes and have been forced to purchase bottled water and expensive filtration systems to meet basic needs. Our consumers should not be fighting for economic survival because of the price and quality of water that's coming into their homes.

There were actions taken by UIF that were used as justification for rate increases. But were any of these actions effective? Did any of these attempts, paid for by the consumers through rate increases, result in our constituents receiving water that met secondary water quality standards, such as taste, color and smell?

We question the premise that a water utility is entitled to "recover costs" for any action taken regardless of outcome. Over a decade of rate increases with no assessment or review as to whether or not the expenditures were prudent or effective flies in the face of common sense.

REPLY TO:

☐ 322 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5018

ANDY GARDINER
President of the Senate

STEVE CRISAFULLI
Speaker of the House

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That UIF would move forward with yet another rate increase request before the interconnection is completed is appalling. While we understand that if approved, consumers will not pay more until they are receiving Pasco County water, we request that you and your fellow commissioners consider this fact: this interconnection project has been made possible in large part due to a \$1 million appropriation from the State of Florida.

A private, for-profit corporation with a guaranteed rate of return regardless of the effectiveness of the actions taken has demonstrated time and time again that it is not concerned about consumers. This lack of concern continues with today's hearing. The Florida Legislature is assisting with this interconnection because of a fundamental opposition to corporate greed that harms consumers who desperately need better water in their homes.

Another thing we ask you to consider: the costs involved. The passage of the Consumer Water Protection Act in 2014, the appropriation for the interconnection, the countless hours of meetings and travel for the state and locally elected officials, staffers, Office of the Public Counsel employees, and the Summertree Task Force all came at a price. At what point do all of these costs get factored into the calculation of what UIF is "entitled to recover"?

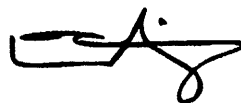
In closing, we have been informed that UIF is moving forward with a request for Summertree's system to be rolled into a consortium that includes a number of other UIF systems around Florida. This request could have negative impacts on many UIF customers and should be carefully scrutinized. Our constituents have already paid a heavy price for the inaction of this company. Simply put, this is unacceptable. If further legislation is needed to ensure that consumers are protected, that will be forthcoming.

Once again, we request that you and your fellow commissioners consider the public interest when examining this egregious situation.

Regards,



Speaker-Designate Richard Corcoran
House Representative, 37th District



Wilton Simpson
State Senator, 18th District

cc: Commissioner Ronald Brise
Commissioner Lisa Edgar
Commissioner Art Graham
Commissioner Jimmy Patronis
Summertree Water Alliance
Braulio Baez, Executive Director, Florida PSC