

Brandy Butler

From: Shalonda Hopkins
Sent: Thursday, October 05, 2017 12:02 PM
To: Commissioner Correspondence
Subject: Docket No. 20160101-WS
Attachments: 10-5-17, Letter from Fromkin.pdf

Good Afternoon,

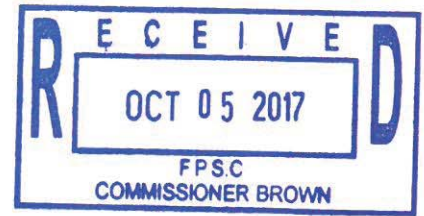
Please place the attached letter in Docket Correspondence, Consumers and their Representatives, in Docket No. 20160101-WS. Thank you.

Shalonda M. Hopkins

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Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, FL 32399



Re: Docket 20160101-WS

Attention:
Commissioner Julie I. Brown
Commissioner Art Graham
Commissioner Ronald A. Brisé
Commissioner Donald J. Polmann

RECEIVED-FPSC
2017 OCT -5 AM 9:11
COMMISSION
CLERK

I represent the Pennbrooke Homeowners' Association, Inc. and the homeowners in the community, all of whom are customers of Utilities, Inc. We are strongly in opposition to the consolidated rate structure you have approved for Docket 20160101-WS. These rates discriminate against customers on systems with lower asset values per customer, systems serving communities with small average households, and systems where wastewater rates are applied to water used for irrigation.

Pennbrooke is a community of 1239 homes. As we are a 55+ community, children under the age of 18 are not allowed to reside here. The typical occupants of a home are a retired couple or a single or widowed retiree. In very few cases are there more than two occupants in a home; on average, less than two. Many are on fixed income.

The increase in wastewater rates and the use of consolidated wastewater rates are patently unfair to the residents of Pennbrooke for several reasons:

- The Final Order shows a Pennbrooke customer with 8000 gallons monthly water usage will pay a subsidy of \$16.30 to other systems with which we share no infrastructure.
- As a 55+ community, our demographics are such that we produce less wastewater per household than communities with families. No consideration is made for this in setting the consolidated rates. The test year filing information for Pennbrooke shows a total of 130.049 million gallons of water were sold and customers were billed for 63.479 million gallons of wastewater. However, only a total of 35.915 million gallons of wastewater were processed. Even assuming all wastewater came from residences (disregarding wastewater from restrooms in common areas of the Association), average wastewater produced per residence per month is calculated to be only:

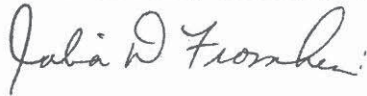
35,915,000 gallons/1239 homes/12 months = 2416 gallons.

- Under the old rate structure residents were paying wastewater charges on the first 6000 gallons of water usage, more than twice the average wastewater produced.
- Wastewater charges in the new rates are applied to the first 8000 gallons of monthly water usage. This results in average wastewater gallonage charges per home for more than three times the average wastewater produced.
- Pennbrooke residents are being systematically charged wastewater rates for water used for irrigation.

The new rate structure increases this overcharging.

- Consolidated rates don't consider whether and to what degree irrigation is used in a community. A condominium resident will have little or no irrigation usage. Pennbrooke community standards require residents to irrigate. By setting high gallon maximums on wastewater charges consolidated rates discriminate against our residents compared to communities with lower requirements for irrigation water.
- Utilities, Inc. reported the Pennbrooke wastewater rate of return for the test year was 15.63% (per books). No increase is justified.
- Utilities, Inc. charged Pennbrooke customers for processing 63.479 million gallons of wastewater in 2015 and processed only 35.915 million gallons. The consolidated rates will further increase this overcharging.

The fair way to set rates is on a system by system basis and with close correlation between the number of gallons of wastewater processed and the number of gallons of wastewater billed to customers. It is understood that consolidating rates makes the work of the FPSC easier. That doesn't justify unfair treatment of utility customers who have no alternative but to pay the unfair, discriminatory rates.



Julia Fromkin, President
Pennbrooke Homeowners' Association, Inc.

cc:

Governor Rick Scott
State of Florida
The Capitol
400 S. Monroe St.
Tallahassee, FL 32399-0001




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