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DIVISION OF WATER & WASTEWATER  
DANIEL M. HOPPE, DIRECTOR  
(850) 413-6900

# Public Service Commission

September 13, 1999

RECEIVED - PSC  
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RECORDS AND REPORTING

Mr. F. Marshall Deterding  
Rose, Sundstrom & Bentley, LLP  
2548 Blairstone Pines Drive  
Tallahassee, Florida 32301

**Re: Docket No. 990243-WU - Application for a limited proceeding and water rate restructuring by Water Oak Utilities, Co. Inc. in Lake County**

Dear Mr. Deterding:

This will confirm that Commission Staff will hold a customer meeting at 2:00P.M. and at 6:00P.M. on Thursday, October 7, 1999. The location of the meeting will be The Main Clubhouse, Water Oak Country Club Estates, Lady Lake, Florida. We ask that, if at all possible, you or another knowledgeable representative of the utility attend the meeting in order to answer customer questions.

The original customer meeting notice is enclosed. Please note that the date has been left blank so that you can fill in the date that the notice is sent to the customers. The customers must have at least fourteen days' notice of the meeting, calculated from the date that they receive the notice. Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

Please ensure that a copy of the complete application for the limited proceeding is available for review by all interested persons at the utility's office during its regular business hours, (9:00A.M. to 4:00P.M.).

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If you have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Crossman".

Stephanie Crossman  
Staff Attorney

SC:ccg

cc: Division of Records and Reporting  
Division of Consumer Affairs  
Hearing Reporter  
Office of Public Counsel  
Division of Water and Wastewater (Rehwinkel, Rendell, Willis, Lingo, Rieger, Bethea,  
Edwards, Crouch)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETINGS

TO THE CUSTOMERS OF

WATER OAK UTILITIES, CO. INC.

AND

ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 990243-WU

APPLICATION FOR A  
LIMITED PROCEEDING TO INCREASE AND  
RESTRUCTURE WATER RATES  
IN LAKE COUNTY, FLORIDA

DATED: \_\_\_\_\_

Notice is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of Water Oak Utilities, Co. Inc. (Water Oak or utility) for a limited proceeding and rate-restructuring in Lake County. The meeting will be held at the following times and place:

6:00 p.m. Thursday, October 7, 1999  
The Main Clubhouse  
Water Oak Country Club Estates  
Lady Lake, Florida 32159

All persons who wish to comment are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present. The meeting will begin as scheduled and will continue until all the customers have been heard.

In addition to the meeting being held at 6:00 p.m. on October 7, 1999, the Public Service Commission Staff would like to meet with representatives of customer groups and homeowners associations on October 7, 1999 between 2:00p.m. and 4:00p.m. at The Main Clubhouse. If you are a representative of a customer group or homeowners association and you have not been contacted by the Public Service Commission Staff, please contact Cecilia Rehwinkel of the Public Service Commission staff at (850)413-6972 prior to October 7, 1999.

All persons who wish to participate in individual meetings are urged to make an appointment, since the individual meeting session may be canceled if no appointments are made.

Any person requiring some accommodation at the customer meeting(s) because of a physical impairment should call the Division of Records and Reporting at (850)413-6770 at least 48 hours days prior to the meeting(s). Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

#### PURPOSE

The purpose of this meeting is to give customers and other interested persons an opportunity to ask questions, to offer comments to the Public Service Commission Staff regarding the utility's pending application for a limited proceeding and the quality of service the utility provides. Staff members will summarize Water Oak's proposed filing, the preliminary work accomplished, and answer questions to the extent possible. A representative from the utility has also been invited to respond to questions.

At the beginning of the meeting, procedures will be established for the order of comments. The Public Service Commission Staff will have sign-up sheets, and customers will be called to speak in the order that they sign-up. Public Service Commission Staff will be available to coordinate customers' comments and to assist members of the public.

Any person who wishes to comment or provide information to staff may do so at the meetings, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Public Service Commission's toll-free facsimile line at 1-800-511-0809.

#### THE APPLICATION

Water Oak is a Class C water and wastewater utility located in Lake County. Pursuant to Sections 367.0822 and 367.081(1)(a) and (3), Florida Statutes, on March 2, 1999, Water Oak filed an application for a limited proceeding to increase water rates. In the application, the utility states that St. Johns River Water Management District is requiring the implementation of a

conservation rate structure. The application also states that the Florida Department of Environmental Protection (DEP) is requiring the installation of hydropneumatic tanks.

The utility explains that through the water use permit renewal process, the St. Johns River Water Management District determined that the utility has excessive water usage on a per capita basis. The negotiations of the conditions for issuance of the new water use permit included the utility's agreement to implement a conservation oriented rate structure per the Public Service Commission's approval.

The utility further explains in its application that under current DEP Rules (Chapter 62.550, Florida Administrative Code), the utility has reached a level of flows within its water system that requires the installation of a second hydropneumatic tank. In addition to installing a second hydropneumatic tank, the existing tank, used since utility's inception, must be replaced. Therefore, the utility is requesting through the limited proceeding, the recovery of the costs associated with the two hydropneumatic tanks along with the approval of a conservation oriented rate structure.

#### CURRENT AND UTILITY-PROPOSED RATES AND CHARGES

The following table represents the utility's current, as well as requested rates and charges for the purpose of discussion at the customer meeting. The utility is proposing that the Commission approve a new rate structure based upon a base facility charge and three distinct levels of usage charges. These rates are preliminary and subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners. The utility's current and its proposed rates and charges are as follows:

WATER MONTHLY RATES

Residential and General Service	<u>Existing</u>	<u>Utility's</u>
BASE FACILITY CHARGE	<u>Rates</u>	<u>PROPOSED</u>
<u>Meter Size</u>		<u>Rates</u>
5/8 x 3/4"	\$ 6.37	\$ 9.97
3/4"	9.89	14.96
1"	15.95	24.93
1 1/2"	31.89	49.85
2"	51.05	79.76
3"	102.08	159.52
4"	159.51	249.25
6"	319.00	498.50
GALLONAGE CHARGE		
per 1,000 gallons	\$ .51	
per 1,000 gallons		
0 - 5,000		\$ .51
5,000 - 10,000		1.15
10,000 or more		2.30

UTILITY APPLICATION

The utility's application for the limited proceeding and its proposed rates and charges may be examined by interested members of the public from 9:00 a.m. to 4:00p.m. at the following location:

Water Oak Administrative Office 106 Evergreen Lane Lady Lake, FL 32159 (352)753-3000	Office Hours: 9:00a.m. - 4:00p.m. Monday - Friday
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If these times are not convenient, please call the utility and other arrangements can be made.

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Public Service Commission Staff will prepare a recommendation which is tentatively scheduled to be submitted to the Public Service Commission on November 4, 1999. The Public Service Commission will then vote on staff's recommendation at its November 16, 1999 agenda conference. The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's recommendation. Substantially affected persons have 21

NOTICE OF CUSTOMER MEETING  
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in staff's recommendation. Substantially affected persons have 21 days from the date the PAA order is issued to protest the Commission's proposed agency action order. Five to ten customers or persons who attend the meeting and who wish to receive a copy of the recommendation and the order should so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so in writing to the Commission at the address listed at the end of this notice.

HOW TO CONTACT THE COMMISSION

Written comments regarding the utility and the proposed rates, and requests to be placed on the mailing list for this case, may be directed to this address:

Director, Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

All correspondence should refer to "Docket No. 990243-WU, Water Oak Utilities, Co."

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Affairs at the following toll-free number: 1-800-342-3552.

This notice was prepared by Commission Staff for distribution by the utility to its customers.