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Commissioners:
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LILA A. JABER



DIVISION OF LEGAL SERVICES
NOREEN S. DAVIS
DIRECTOR
(850) 413-6199

Public Service Commission

March 20, 2000

Paul Lowry
Utility Manager
Post Office Box 2303
Eaton Park, Florida 33840

Re: Staff Assisted Rate Case for ABCA, Inc. in Polk County, Docket No. 990937-SU

Dear Mr. Lowry:

This will confirm that Commission staff will hold a customer meeting at 6:00 pm on Wednesday, April 19, 2000. The location of the meeting will be:

City Commission Chamber
228 South Massachusetts Ave.
Lakeland, FL 33801

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 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 14 calendar days' notice of the meeting, calculated from the day 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.

SEA _____
APP _____
CAL _____
JAN _____
FEB _____
MAR _____
LEG _____
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DEC _____
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OTH _____

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Paul Lowry
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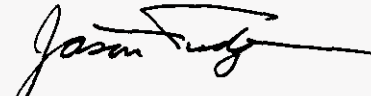
Three copies of the staff report dated March 13, 2000, are enclosed. Please ensure that a copy of the complete Application for Staff Assistance and the reports are available for review by all interested persons at:

Village Lakeland Home Owners
3574 Lazy Lake Dr. N.
Lakeland, FL 33801-6408

Lakeland Village Association
410 Skyline Dr. E.
Lakeland, FL 33801

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

Sincerely,



Jason Fudge
Attorney

Enclosure

cc: Division of Records and Reporting
Division of Consumer Affairs (DeMello, Raspberry)
Hearing Reporter (Joy Kelly)
Office of Public Counsel
Division of Water and Wastewater (Willis, Rendell, Chu, Munroe)
Douglas A. Carson, Vice President, First Union National Bank, VA1954, Special
Assets Division, 1970 Chain Bridge Road, 7th Floor, McLean, VA 22102-4099

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETINGS

TO THE CUSTOMERS OF ABCA, INC.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 990937-SU

APPLICATION OF ABCA, INC. d/b/a Village Lakeland Utility

FOR A STAFF-ASSISTED RATE CASE IN
POLK COUNTY

Issued:

Notice is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the application of ABCA, Inc. (ABCA or utility) for a staff-assisted rate case in Polk County. The meeting will be held at the following time and place:

6:00 p.m., Wednesday, April 19, 2000
City Commission Chamber
228 South Massachusetts Ave.
Lakeland, FL 33801

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. One or more of the Commissioners of the Florida Public Service Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all the customers have been heard.

The Public Service Commission staff is also attempting to meet with representatives of customer groups and homeowners associations on April 19, 2000 between 2:00 pm and 4:00 pm at the City Commission Chamber. If you are a representative of a customer group or homeowners association and you have not been contacted by the Public Service Commission Staff, and wish to meet with staff, please contact Min Chu at (850) 413-6968 of the Public Service Commission staff prior to April 18, 2000.

All persons who wish to participate in individual meetings are urged to make an appointment, since individual meetings 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 five calendar 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 offer comments to the Public Service Commission staff regarding the quality of service the utility provides, the proposed rate increase, and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will summarize ABCA'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.

BACKGROUND

ABCA is a Class C utility that provides wastewater service to approximately 262 residential customers and two general service customers. The utility's test year revenues are \$31,744, its staff adjusted expenses are \$60,416, which results in a staff adjusted test year loss of \$28,671. The test period for setting rates is the historical twelve-month period ending June 30, 1999.

CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. 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 staff's preliminary rates and charges are as follows:

Monthly Wastewater Rates

Residential

| | <u>Current Rate</u> | <u>Staff's Recommended Rates</u> |
|--|---------------------|--------------------------------------|
| Flat Rate | \$ 10.25 | N/A |
| <u>Base Facility Charge</u> All meter sizes | N/A | \$ 10.96 |
| <u>Gallonge Charge</u> Per 1,000 gallons (8,000 gals. max) | N/A | \$ 3.23 |

General Service

| | <u>Current Rate</u> | <u>Staff's Recommended Rates</u> |
|---|---------------------|--------------------------------------|
| <u>Base Facility Charge</u> Meter Size | N/A | |
| 5/8" x 3/4" | | \$ 10.96 |
| 3/4" | | 16.44 |
| 1" | | 27.40 |
| 1 1/2" | | 54.81 |
| 2" | | 87.70 |
| 3" | | 175.39 |
| 4" | | 274.05 |
| 6" | | 548.10 |
| <u>Gallonge Charge</u> Per 1,000 gallons | N/A | \$ 3.88 |

CUSTOMER DEPOSIT

The utility's existing tariff does not provide Commission approved customer deposits. Staff has calculated customer deposits based on recommended rates and an average monthly bill for a two-month period. A schedule of staff's recommended preliminary deposits follows:

Wastewater

Residential

| <u>Meter Size</u> | Staff's Recommended <u>Deposits</u> |
|-------------------|--|
| 5/8" x 3/4" | \$45.00 |

General Service

| <u>Meter Size</u> | Staff's Recommended <u>Deposits</u> |
|----------------------|--|
| 5/8" x 3/4" | \$45.00 |
| All over 5/8" x 3/4" | (2 x average bill) |

SERVICE AVAILABILITY CHARGES

Currently, the utility's tariff has a provision for service availability charges of \$880 for future customers.

Staff's preliminary recommendation is that the utility's existing service availability charge should be separated into a plant capacity charge of \$430 and a main extension charge of \$450.

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated March 13, 2000. Copies of the report may be examined by interested members of the public 24 hours a day at the following two locations:

Village Lakeland Home Owners
3574 Lazy Lake Dr. N.
Lakeland, FL 33801-6408

Lakeland Village Association
410 Skyline Dr. E.
Lakeland, FL 33801

PROCEDURES AFTER CUSTOMER MEETINGS

After the meetings, Public Service Commission Staff will prepare a recommendation which is scheduled to be submitted to the Public Service Commission on May 25, 2000. The Public Service Commission will then vote on staff's recommendation at its June 6, 2000 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 final recommendation. Substantially affected persons have 21 days from the date the PAA order is issued to protest the Commission's PAA 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 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. 990937-SU, ABCA, Inc."

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.