

Kimberley Pena

From: Trina Collins [TCollins@RSBattorneys.com]
Sent: Monday, August 25, 2008 5:07 PM
To: Filings@psc.state.fl.us
Cc: jphoy@uiwater.com; rjdurham@uiwater.com; pcflynn@uiwater.com; keweeks@uiwater.com; dswain@milianswain.com; Frankden@nettally.com; Martin Friedman; Christian W. Marcelli; Trina Collins
Subject: Filing in Docket No. 070694-WS; Wedgefield Utilities, Inc.'s Application for Increase in Water Rates in Orange County, FL
Importance: High
Attachments: PSC Clerk 06 (Response to Staff's letter requesting responses to issues raised at customer mtg.08-25-2008(2).pdf

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- b. Docket No.: 070694-WS; Wedgefield Utilities, Inc.'s Application for an Increase in Water Rates in Orange County, Florida – Filing response of Wedgefield Utilities, Inc. to Staff's August 8, 2008 letter requesting responses to issues raised at the August 5, 2008 customer meeting.
- c. Wedgefield Utilities, Inc.
- d. 13 Pages.
- e. Letter to Commission Clerk - 5 pages; response to issues raised at the customer meeting - 9 pages.

8/26/2008

DOCUMENT NUMBER-DATE
07739 AUG 26 8
FPSC-COMMISSION CLERK

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(LICENSED IN NEW YORK ONLY)

August 25, 2008

VIA E-FILING

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 070694-WS; Wedgefield Utilities, Inc.'s Application for Increase in
Water Rates in Orange County, Florida
Our File No.: 30057.151

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket is the response of Wedgefield Utilities, Inc. (the "Utility") to Staff's August 8, 2008 letter requesting responses to issues raised at the August 5, 2008 customer meeting.

Lift Station

The Utility has not received any odor complaints regarding Lift Station #5, other than Mr. Hierholzer's comments made at the August 5, 2008 customer meeting. Consequently, the Utility has not considered it necessary to install odor blocks or any other odor control measures at this particular lift station. The lift station pumps were last pulled in November 2007 for repairs. This was the only time in the last two years that the pumps have been pulled. The wet well is cleaned about one to two times per year. The Utility has not previously considered installing a concrete driveway at this location. The Utility will consider doing so only if the frequency of truck trips to the station warrants the improvement.

Attached hereto is proof of easements for the Utility's lift stations. All properties have a platted utility easement, and all such lift stations are located thereon.

DOCUMENT NUMBER-DATE

07739 AUG 26 8

FPSC-COMMISSION CLERK

It should be noted that a fence was installed around the lift station in order to keep Mr. Hierholzer from tampering with our equipment. Mr. Hierholzer would repeatedly silence the audible alarm but not notify the Utility that the alarm was going off. Once we relocated the alarm silence button to the inside of the control panel, Mr. Hierholzer resorted to wrapping a cushion around the alarm. It reached a point that we had to have attorneys contact Mr. Hierholzer regarding his activities.

MIEX

The newly constructed MIEX equipment has been in use since July 28, 2008. Enough time has now passed since that time that all parts of the distribution system now provide MIEX-treated water to the customers. Customers will undoubtedly perceive and observe the benefit of the new treatment equipment over time. MIEX is not designed to reduce the calcium hardness of the water, however, and as a result, Wedgefield's finished water will typically have 130-150 ppm of hardness at the point of entry.

Regarding the analysis of Total Trihalomethane (TTHM) and Haloacetic Acids (HAA5) in the distribution system, be aware that the Utility notified the Wedgefield customers by letter in June that we were reverting to free chlorine disinfection at that time in order to do a "burn" of the distribution system. This maintenance activity is designed to remove the buildup of nitrogen compounds in the piping system in order to make sure that adequate disinfection occurs and is customary with nearly all chloramine disinfection systems. Consequently, it is to be expected that TTHM and HAA5 levels would be elevated thereafter until after MIEX treated water was distributed throughout the system. With the removal of the Trihalomethane precursors from the source water, the resulting TTHM values in our distribution system will drop below the Maximum Contaminant Level of 80 ppm. FDEP was notified ahead of time of this change in our disinfection process, which is now a permanent condition. MIEX removes the TTHM precursors very effectively and thereby reduces the formation of TTHM, which means that the Utility will not need to revert back to chloramine disinfection.

Samples have been taken upstream and downstream of the MIEX equipment to measure removal efficiency of total sulfides and dissolved organic chemicals. MIEX is not designed to remove hydrogen sulfide compounds specifically but total sulfides generally. The utility does not analyze total dissolved solids routinely and has no recent data to provide you. The amount of chlorine used daily before MIEX was placed in service averaged about 100 gallons/day. In the few weeks since MIEX has been in service, chlorine usage has averaged about 25 gallons/day, a decrease of 75%. This is another indication that the MIEX equipment has effectively reduced chlorine demand.

As you are aware, a corrosion inhibitor must be added to our finished water in order for the utility to comply with the Lead and Copper Rule. The corrosion inhibitor that we use is a polyphosphate compound that acts to coat the interior surfaces of the distribution system and household plumbing fixtures thus preventing the dissolution of lead and copper into drinking water. It will be necessary to continue the application of the corrosion inhibitor indefinitely in order to comply with regulatory requirements.

Estimated Bills

Ms. White, who I understand lives at 2705 Abalone in Wedgefield, received two estimated bills recently. The first one was generated on May 31, 2008 with an estimated consumption of 4,170 gallons and included her \$40 deposit being credited to her account plus interest. The second estimated bill was generated on June 24 and reflected an estimated usage of 1,301 gallons. Her July 31 bill was not estimated and reflects usage of 5,109 gallons. This elevated consumption in July reflects a "true-up" after issuing the two estimated bills. In both May and June, Utility personnel read her water meter at the normal time of the month. However, on June 30 the Utility began using our new comprehensive billing system and transitioned from our legacy system. We are working through the implementation phase of this new billing software and have been working hard to address transitional issues rapidly and accurately. In the process of converting from the legacy system to the new one, some customers have received estimated bills in one or both of the first two billing cycles. Ms. White's July 31 bill was generated from the actual read and is not estimated. It is my expectation that in the future, she will routinely receive a monthly bill showing actual consumption.

With respect to the customer base as a whole, there were 2 estimated bills in Wedgefield between January and May out of 7,841 bills. In June and July, about 85% of the 2,731 bills were estimated as the utility worked through the implementation phase of the new billing system. In August, 287 bills out of 1,373 were estimated, which was 21%. The utility expects to have a minimal number of estimated bills in September.

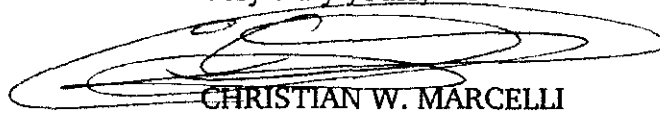
Additional Issues

Ms. White mentioned that Wedgefield Utilities sends Orange County a payment every month and insinuated that the Utility was acting improperly by doing so. Be aware that Orange County levies a 10% utility tax on all utility customers, which is shown on each customer's bill. The only payment that Wedgefield Utilities makes to Orange County is the periodic remittance of tax revenues due the county.

Ann Cole, Commission Clerk
Office of Commission Clerk
August 25, 2008
Page 4

Should you have any questions regarding this filing, please do not hesitate to contact me.

Very truly yours,

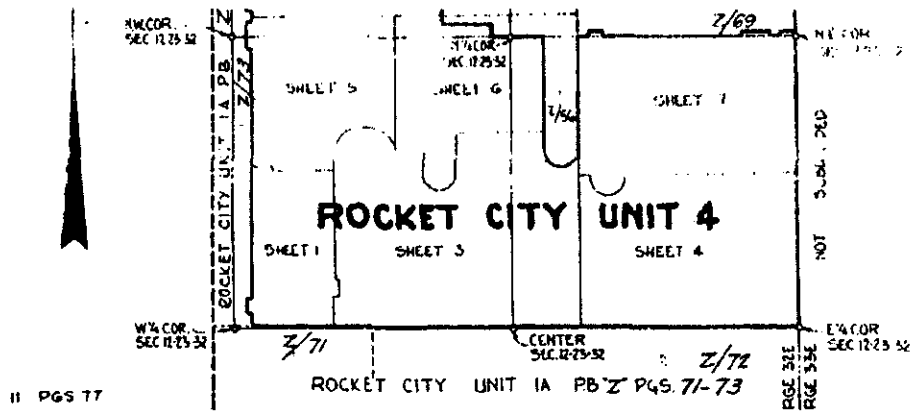


CHRISTIAN W. MARCELLI
Of Counsel

CWM/tlc
Enclosures

cc: John Hoy, Chief Regulatory Officer (w/enclosures) (via e-mail)
Rick Durham, Regional Vice President for Operations (w/o encs.) (via e-mail)
Patrick C. Flynn, Regional Director (w/enclosures) (via e-mail)
Ms. Kirsten E. Weeks (w/enclosures) (via e-mail)
Ms. Deborah Swain (w/enclosures) (via e-mail)
Mr. Frank Seidman (w/enclosures) (via e-mail)

M:\1 ALTAMONTE\UTILITIES INC\WEDGEFIELD\(.151) 2007 RATE CASE\PSC Clerk 05 (Data Request).ltr.doc



11 PGS 77

LOCATION MAP & KEY PLAN

SCALE: 1"=1000'

DR'S NOTES:
 Lines shown are based on an
 old meridian.
 Denotes Permanent Reference
 it.

EASEMENT DEDICATION
 That the owner of the land described herein does hereby dedicate EASEMENTS
 8 feet in width along the rear boundary of each homestead and 6 feet in width
 along the side boundaries of each homestead for the installation and maintenance
 of Public Utilities and for County drainage purposes.

ATTEST:
Arthur C. Clerk
 By *[Signature]*

CERTIFIED BY
 THIS IS TO CERTIFY
 the Orange County
Robert C. Clerk

CERTIFIED
 I HEREBY CERTIFY
 that it complies in full
 Statutes, and was filed
 at 10:56 AM. FI
Arthur C. Clerk
 Clerk of the Circuit
 in and for Orange County
 By *[Signature]*

Rader and Associates
Miami, Florida

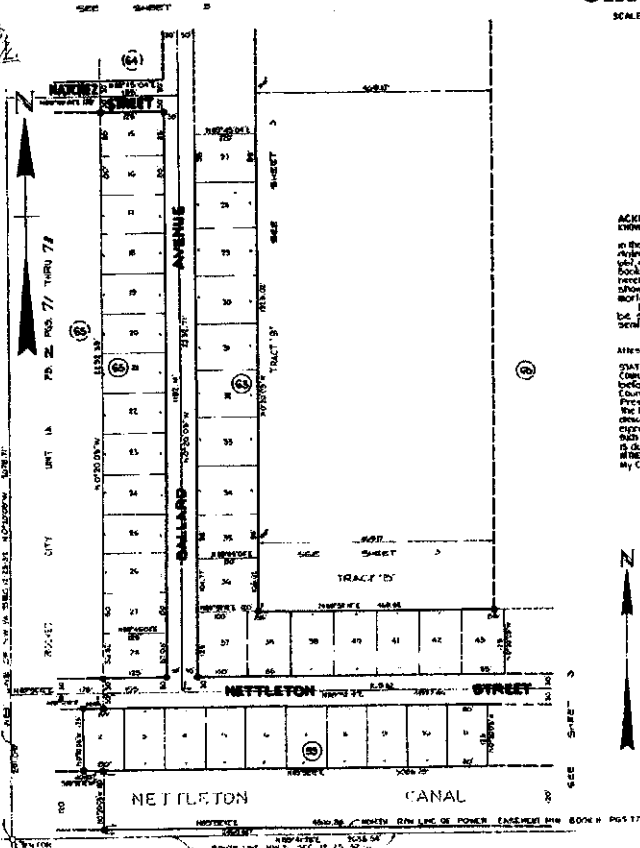
ROCKET CITY

JOB NO 4895

Unit 4

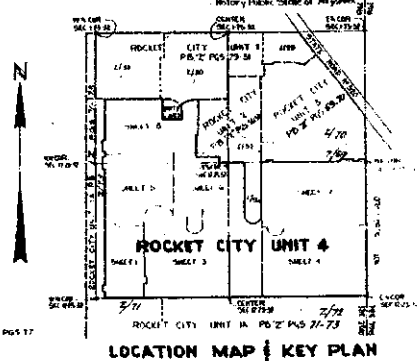
ADJUST ONE

SCALE 1"=400'



ACKNOWLEDGMENT
I, James A. Armstrong, President of ROCKET CITY, INC., do hereby certify that the foregoing plat was duly adopted by the Board of Directors of said corporation on the 12th day of December, 1963, at a meeting held at the office of said corporation at 2100 N.W. 25th Avenue, Miami, Florida, and that the same is a true and correct copy of the original as the same appears on the books and records of said corporation.

STATE OF FLORIDA, County of Dade
I, James A. Armstrong, do hereby certify that the foregoing plat was duly adopted by the Board of Directors of said corporation on the 12th day of December, 1963, at a meeting held at the office of said corporation at 2100 N.W. 25th Avenue, Miami, Florida, and that the same is a true and correct copy of the original as the same appears on the books and records of said corporation.



SURVEYOR'S NOTES
Reference should be made to all accompanying documents.
@ denotes Easement Reference Monument

EASEMENT DEDICATION
This is a true and correct copy of the original as the same appears on the books and records of said corporation.

PLAT BOOK AND PAGE **2-74**

DEDICATION

KNOW ALL MEN BY THESE PRESENTS, That the Corporation named herein being the owner in fee simple of the lands described in the foregoing plat and being duly authorized to take and dedicate the same to the public, do hereby certify that the same is a true and correct copy of the original as the same appears on the books and records of said corporation.

I, James A. Armstrong, President of ROCKET CITY, INC., do hereby certify that the foregoing plat was duly adopted by the Board of Directors of said corporation on the 12th day of December, 1963, at a meeting held at the office of said corporation at 2100 N.W. 25th Avenue, Miami, Florida, and that the same is a true and correct copy of the original as the same appears on the books and records of said corporation.

STATE OF FLORIDA, County of Dade
I, James A. Armstrong, do hereby certify that the foregoing plat was duly adopted by the Board of Directors of said corporation on the 12th day of December, 1963, at a meeting held at the office of said corporation at 2100 N.W. 25th Avenue, Miami, Florida, and that the same is a true and correct copy of the original as the same appears on the books and records of said corporation.

CERTIFICATE OF SURVEYOR
I, James A. Armstrong, do hereby certify that the foregoing plat was duly adopted by the Board of Directors of said corporation on the 12th day of December, 1963, at a meeting held at the office of said corporation at 2100 N.W. 25th Avenue, Miami, Florida, and that the same is a true and correct copy of the original as the same appears on the books and records of said corporation.

CERTIFICATE OF APPROVAL BY BOARD OF COUNTY COMMISSIONERS
This is to certify that on December 12, 1963, the foregoing plat was approved by the Board of County Commissioners of Dade County, Florida.

CERTIFICATE OF APPROVAL BY EASEMENT COMMISSION
This is to certify that on December 11, 1963, the Dade County Easement Commission approved the foregoing plat.

CERTIFICATE OF CLERK
I, James A. Armstrong, do hereby certify that the foregoing plat was duly adopted by the Board of Directors of said corporation on the 12th day of December, 1963, at a meeting held at the office of said corporation at 2100 N.W. 25th Avenue, Miami, Florida, and that the same is a true and correct copy of the original as the same appears on the books and records of said corporation.

See Resolution of County Comm. 12-12-63 for in a.e. for this plat and for plat and a certain utility easement.
See Resolution of County Comm. 12-12-63 for in a.e. for this plat and for plat and a certain utility easement.



Rader and Associates
Miami, Florida

ROCKET CITY

FLAT BOOK AND PAGE **Z-76**

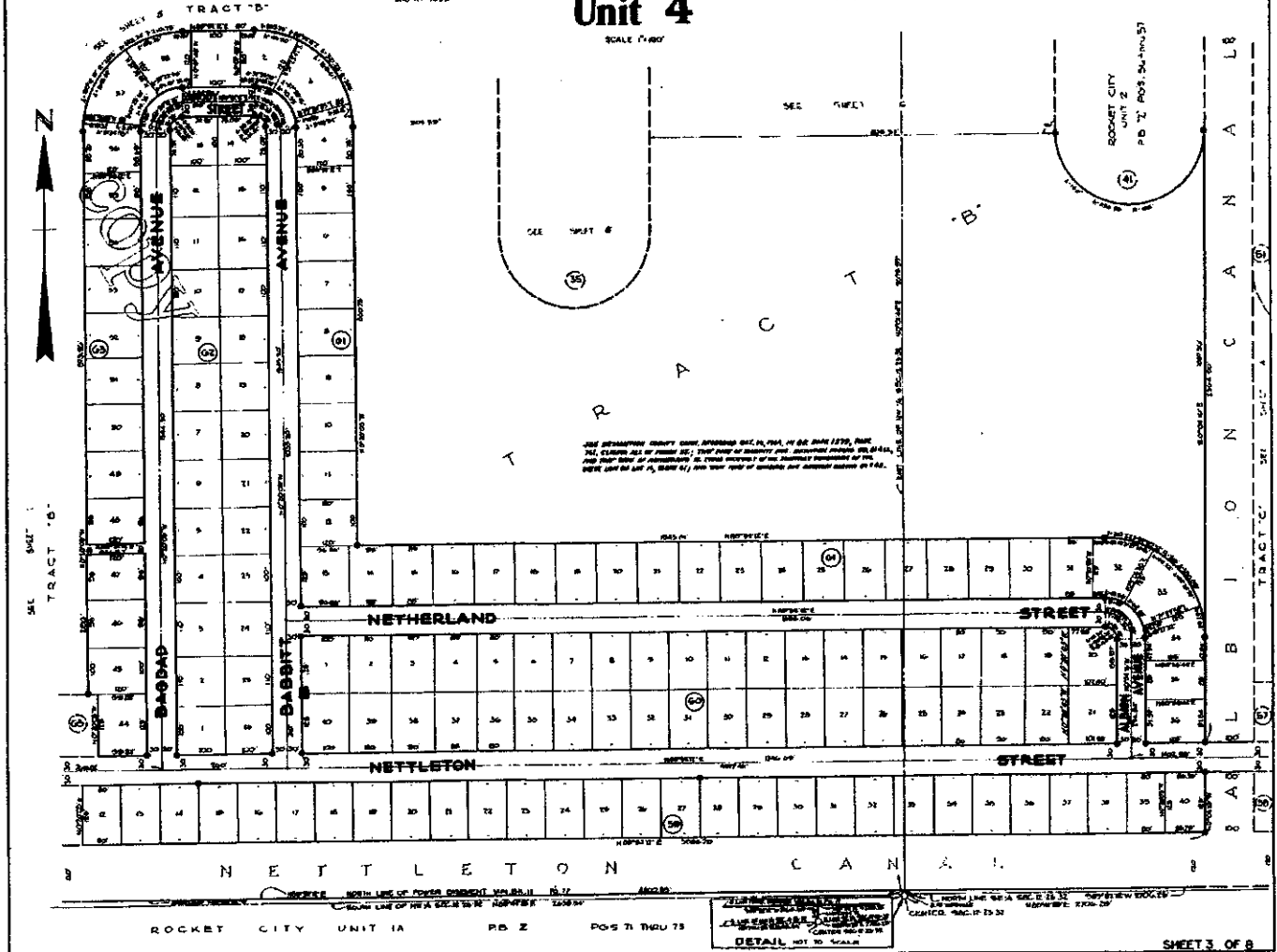
UNLESS OTHERWISE SPECIFIED, ALL DIMENSIONS AND LOCATIONS ARE TO BE TAKEN FROM THE CENTERLINE OF THE MAIN CANAL TO THE CENTERLINE OF THE MAIN CANAL. ALL DIMENSIONS ARE TO BE TAKEN FROM THE CENTERLINE OF THE MAIN CANAL TO THE CENTERLINE OF THE MAIN CANAL.

JOB NO. 44925

Unit 4

AUGUST 1963

SCALE 1"=40'



LITERATURE, L.D.M.C.
JOB NO. 44925
DATED 8/1/63
CHECKED BY: L.D.M.C.
DRAWN BY: L.D.M.C.

Rader and Associates
Miami, Florida

ROCKET CITY

PLAT BOOK AND PAGE **Z-78**

REVISIONS AND CORRECTIONS BELONG TO THE ENGINEER'S FIRM AND NOT TO THE PROPERTY OWNER. ALL CHANGES MUST BE MADE BY THE ENGINEER'S FIRM AND NOT BY THE OWNER. SEE PAGE 111 OF THE 1-10-61

JOB NO. 4850

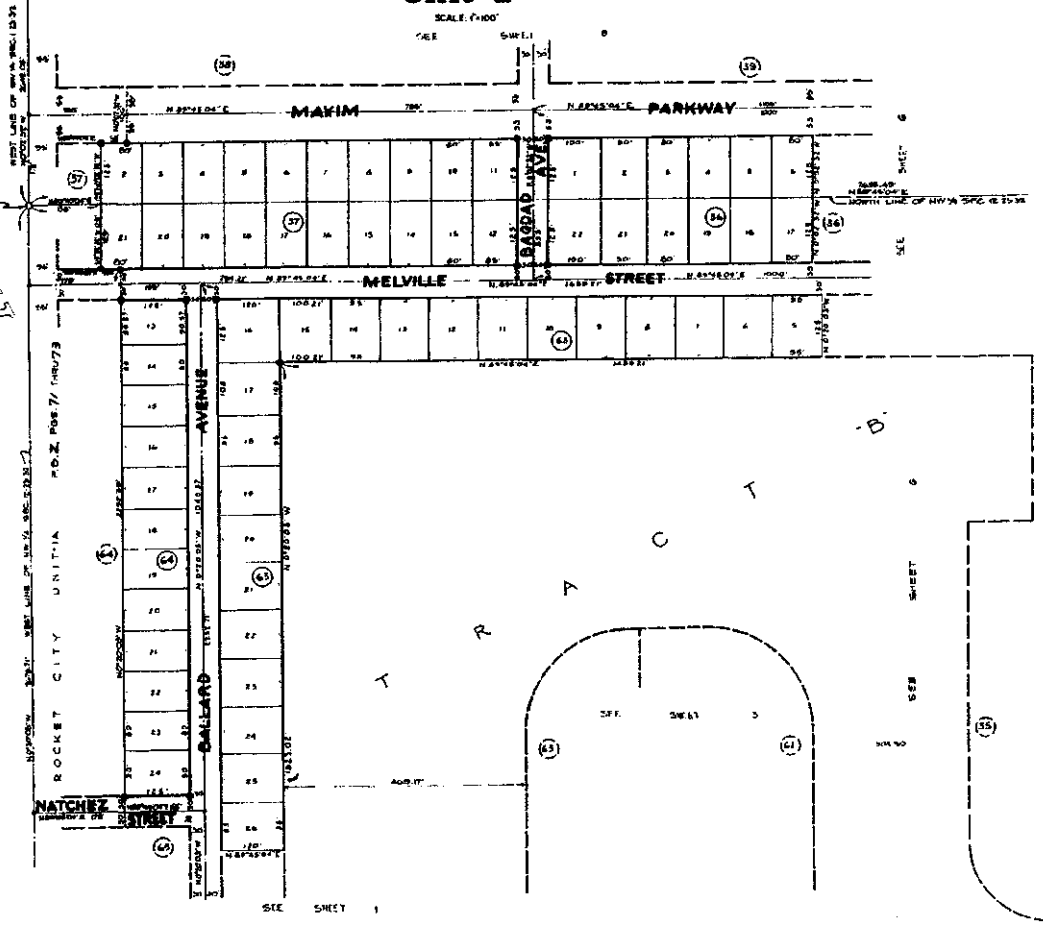
Unit 4

AUGUST 1963

SCALE: 1"=100'



17007



APPROX. DIMENSIONS
BY J.M. / A.S.E.
ED. 100
100 W. 100

SHEET 5 OF 8

Rader and Associates
Miami, Florida

ROCKET CITY

PLAT BOOK
AND PAGE **Z-79**

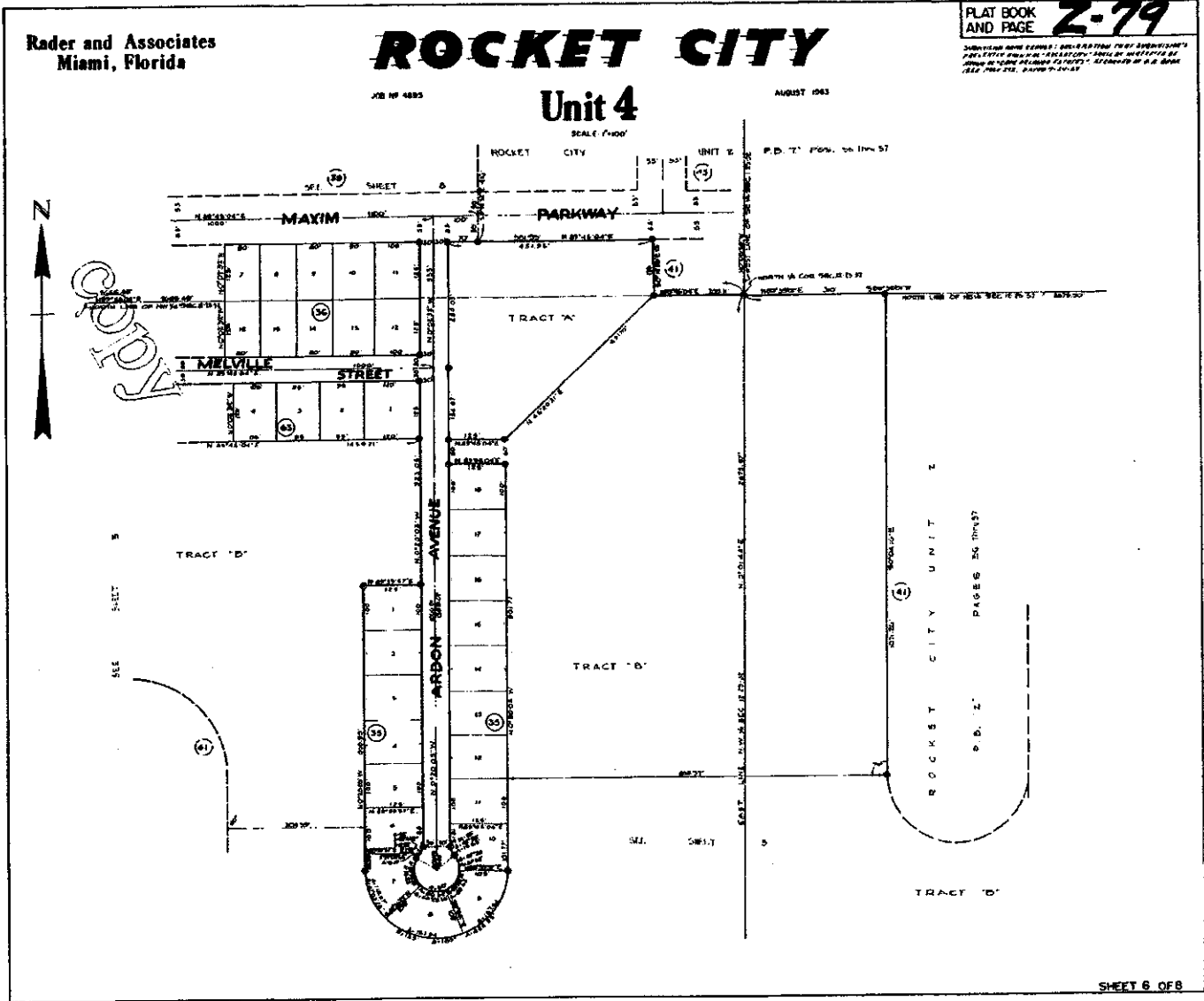
CONVEYANCE MADE SUBJECT TO THE PROVISIONS OF THE DEEDS AND MORTGAGES ACT, CHAPTER 68, STATUTES OF THE STATE OF FLORIDA, AS AMENDED, AND TO THE PROVISIONS OF THE DEEDS AND MORTGAGES ACT, CHAPTER 68, STATUTES OF THE STATE OF FLORIDA, AS AMENDED.

JOB NO 4885

Unit 4

AUGUST 1963

SCALE 1"=100'



ALPHA 182106
DRAWN BY J.M./J.S.B.
CHECKED BY J.S.B.
PREPARED BY J.S.B.

SHEET 6 OF 8

Rader and Associates
Miami, Florida

ROCKET CITY

PLAT BOOK AND PAGE **Z-80**

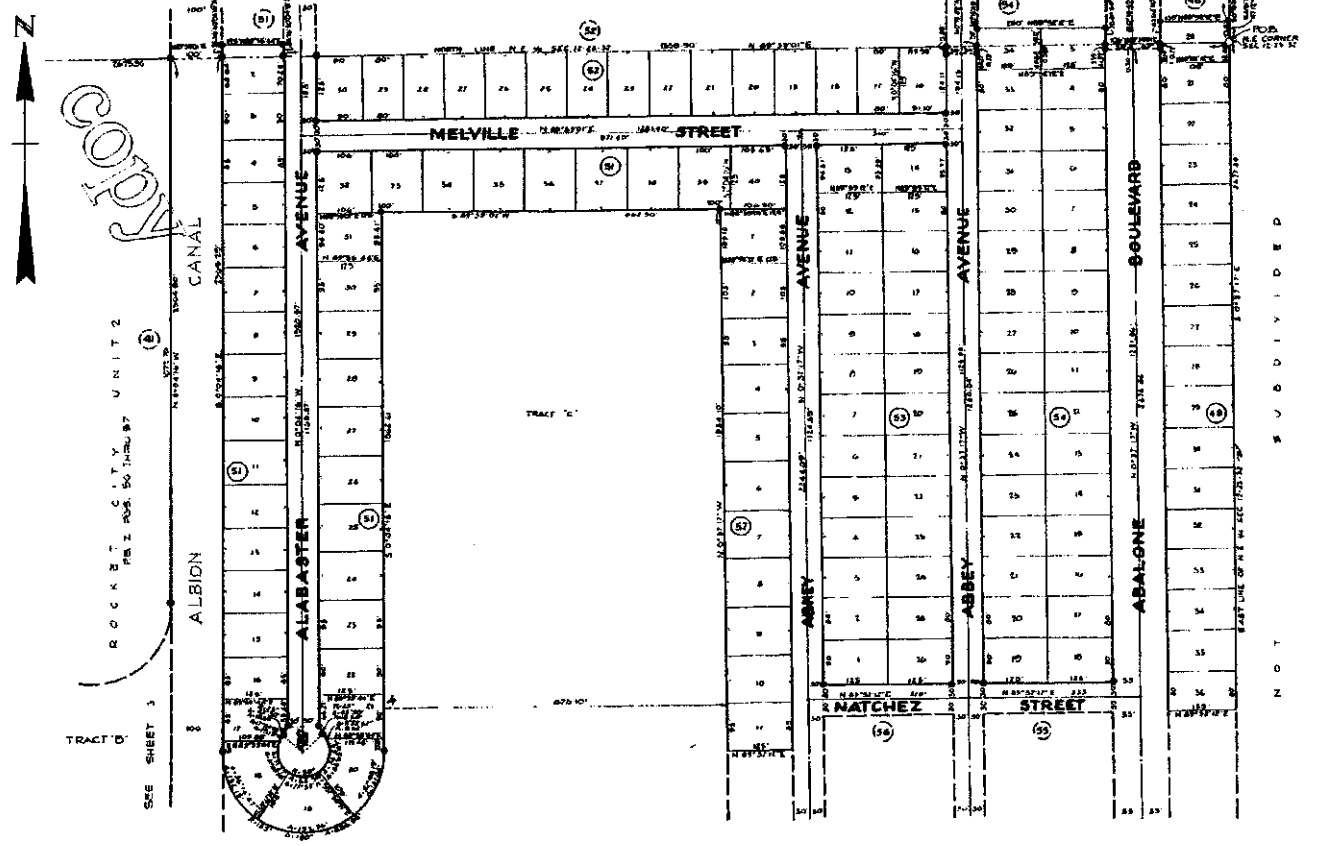
JOB NO 4825

Unit 4

AUGUST 1963

SCALE 1"=100'

ROCKET CITY UNITS 5 P.D. Z Pgs 69 THRU 70



COPY

ROCKET CITY UNIT 2
P.D. Z PGS 50 THRU 57

TRACT D

SEE SHEET 3

SEE SHEET 4

SHEET 7 OF 8

Rader and Associates
Miami, Florida

ROCKET CITY

PLAT BOOK
AND PAGE **2-81**

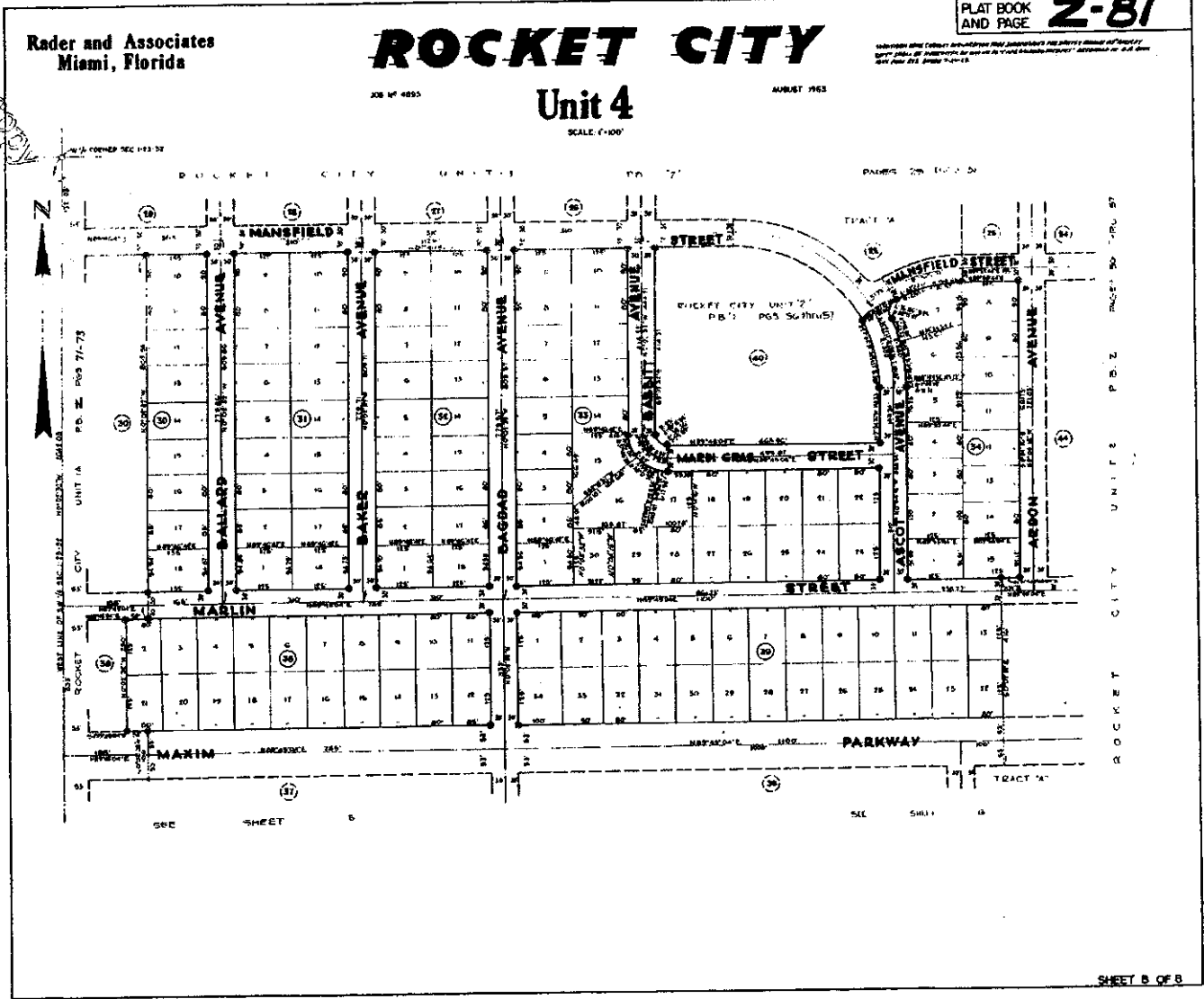
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JOB NO. 4855

Unit 4

AUGUST 1963

SCALE: 1"=100'



APPROVED BY THE CITY OF MIAMI
ON 08/27/63
FILED BY THE CITY CLERK
OFFICE OF THE CITY CLERK
MAYOR'S OFFICE

SHEET 5 OF 8