

Katie Ely

090005

From: Ellen Plendl
Sent: Friday, May 22, 2009 2:37 PM
To: Katie Ely
Subject: Email

Attachments: FW: ; Consumer Inquiry - Lake Utility Services

CONSUMER



FW:

Consumer
Inquiry - Lake Utili

Docket Nos. 070693-WS and 080005-WS

Email received and response sent.

Katie Ely

From: Consumer Contact
Sent: Thursday, May 21, 2009 4:19 PM
To: Ellen Plendl
Subject: FW:

From: awasson@cfl.rr.com [mailto:awasson@cfl.rr.com]
Sent: Thursday, May 21, 2009 12:44 PM
To: Consumer Contact
Cc: baker.carey.web@flsenate.gov; dockery.paula.web@flsenate.gov;
atwater.jeff.web@flsenate.gov; bob.opsahl@wftv.com; martie.salt@wftv.com
Subject:

Esteemed members of the Commission, as a homeowner and resident of Lake County Florida; I find myself frustrated and shocked that once again it appears that a Utility Company (Utilities Inc.) has been allowed to unilaterally make a decision that affects 100's of thousands of residents with little notice or any apparent oversight.

Last month we received notice after the hearing had already taken place the Utilities Inc. was going to increase rates by a whopping 84% and they did just that. I am not one to dispute a company's right to be profitable so I sucked it up, we adjusted household expenses and moved on.

Now to digress just a little..... My wife, 2 kids and I have lived in this home for over 10 years, prior to this last increase we have seen what anyone would say is fair "cost of living" increases in general utility expenses, our typical water (no sewer, we're on septic) bill for 2 months was approx. \$40, after the increase our latest bill jumped to \$96 and was noted that a portion of the bill reflected the recent rate increase and was prorated, so our expected true cost of our next bill should be in the \$120 range. FAIR ENOUGH.... we'll deal with it.

Now, today's mail brings news of an additional requested increase by Utilities Inc. for another 58% INCREASE sneaky, sneaky, and again the only "Notice to the Public" is "This will be relected on your bills rendered on or after May 25, 2009". So lets review.... a 84% increase plus an additional 58% increase on top, one would think that's a total of 138% increase, NOT SO. Lets take \$100 and tack on a 134% increase = \$234 total if my math is accurate, now take the same \$100 tack on 84% = \$184, then tack on an additional 58%, that equates to \$290.72 again very, very SNEAKY.

Please help put a stop to tactics like this, in these times where families are struggling to make ends meet, it is a recipe for disaster, many families do not have an additional \$100 to \$150 per bill to cover this increase.

UTILITIES INC. ----- shame on you.

--
Allen W. Wasson
11738 Oswalt Road
Clermont, FL 34711
(352) 243-8726

Cell 772-216-7954

Katie Ely

From: Ellen Plendl
Sent: Friday, May 22, 2009 2:34 PM
To: 'awasson@cfl.rr.com'
Subject: Consumer Inquiry - Lake Utility Services

Mr. Allen W. Wasson
awasson@cfl.rr.com

Dear Mr. Wasson:

This is in response to your email to the Florida Public Service Commission (PSC) about Lake Utility Services.

You expressed a concern about Lake Utility Services' recent rate increase in water rates in Lake County. On February 16, 2009, the PSC approved Lake Utility Services' increase in water and wastewater rates in Lake County. The PSC takes several things into consideration when designing rates, including, but not limited to the current rate structure, characteristics of the utility's customer base, setting the base facility charge between 25 and 40 percent whenever possible, and various conditions of the utility's consumptive use permit.

The PSC approved the use of a three-tier inclining block rate structure designed to promote water conservation and recognize the anticipated reduction in water demand. Effective March 23, 2009, the usage rates will reflect \$1.67 per 1,000 gallons for the first 5,000 gallons per month, \$2.09 for usage between 5,000 and 10,000 gallons, and \$2.51 for usage above 10,000 gallons per month. Therefore, as customers use more water, the percentage increase in their bill will be greater. This type of rate structure is typically encouraged by the regional water management districts as a conservation measure. The PSC also approved a monthly base facility charge of \$8.25.

Prior to March 23, 2009, Lake Utility Services rendered bi-monthly bills to customers. As of March 23, 2009, the company will be rendering monthly bills to its customers.

The Florida Statutes, which govern the regulation of privately-owned water and wastewater utilities, contain a provision that permits utilities to recognize inflationary increases in major categories of operating expenses, such as chemicals, fuel, materials and supplies, rent and insurance without the necessity of a public hearing. Specifically, this can be found in Sections 367.081(4)(a), Florida Statutes. However, not all costs are allowed to be indexed. For instance, the index does not allow for an increase in the utility's return on investment, taxes or depreciation. A utility must file for a full rate proceeding in order to increase those costs.

Since indexing allows the utility to keep up with inflation with regard to major categories of operating costs, the need for frequent, costly rate cases is normally reduced. Further, because reasonably incurred rate case expense (a major cost associated with rate cases) is included in the utility's rates, indexing lessens the impact of the rate increase because the expense associated with a rate case is avoided. The amount of the percentage by which utilities are allowed to index expenses is set by the Commission each year by reviewing comparisons of price indices for the most recent twelve month period.

Since the index increase takes place by operation of law, the increase requires no action by the Commission. However, the utility is required to file a notice of intention with the Commission along with an application at least 60 days prior to the effective date of the increase. Please be assured that staff conducted a thorough review of the application to make sure it met all requirements of the statute.

The Statute also provides that if within 15 months after filing of a utility's annual report, the Commission finds that the utility exceeded the range of its last authorized rate of return after implementing a price index rate increase, the Commission may order the utility to refund the difference to the ratepayers and adjust rates accordingly.

The PSC approved Lake Utility Services' 2008 Price Index and Pass Through rate increase. However, the exact tariff rate for residential customers has not become effective yet. I must advise you that the increase as reported in Lake Utility Services' notification is 0.58% not 58%. Please contact me after June 1, 2009, and I can confirm the residential tariff for the base facility and gallonage charges.

You may review the PSC's brochure, "Utility Ratemaking in Florida," which explains how the PSC exercises regulatory authority rate base and economic regulation including analyzing requested rate changes and conducting earnings surveillance to ensure that regulated utilities are not exceeding their authorized rates of return by using the following link:

<http://www.psc.state.fl.us/publications/consumer/brochure/Ratemaking.pdf>

I will add your comments to the correspondence side of Docket Nos. 070693-WS and 080005-WS on the rate increase and pass through index, respectively.

Complaints serve as a valuable source of information; therefore, your complaint will remain on file with the PSC. We monitor complaints very closely and track any trends which indicate there may be a problem and further action is needed.

If you have any questions or concerns please contact me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Specialist
Florida Public Service Commission
Division of Service, Safety, & Consumer Assistance
1-800-342-3552 (phone)
1-800-511-0809 (fax)

From: Ruth McHargue
Sent: Friday, May 22, 2009 4:03 PM
To: Katie Ely
Cc: Dorothy Menasco; Ann Cole; Cheryl Bulecza-Banks
Subject: Utilities Inc.

Please add to docket file.

-----Original Message-----

From: Consumer Contact
Sent: Friday, May 22, 2009 9:52 AM
To: Ruth McHargue
Subject: TO CLK Docket 080104?

Customers address is:
2625 Meadow Oaks Loop
Clermont, FL 34711

-----Original Message-----

From: Webmaster
Sent: Friday, May 22, 2009 7:41 AM
To: Consumer Contact
Subject: RE: My contact

-----Original Message-----

From: contact@psc.state.fl.us [mailto:contact@psc.state.fl.us]
Sent: Thursday, May 21, 2009 7:19 PM
To: Webmaster
Cc: timtheabo@yahoo.com
Subject: My contact

Contact from a Web user

Contact Information:

Name: Tim Theabo
Company:
Primary Phone: 352-241-9343
Secondary Phone:
Email: timtheabo@yahoo.com

Response requested? Yes
CC Sent? Yes

Comments:

I am writing with concern over yet another notice of rate increase by Utilities, Inc. The Order # is PSC-08-0104-PAA-WS. This company was granted a huge increase in the water and sewer rates in March of this year. In light of the difficult economic circumstances, I believe this is truly not in the public's best interest. My wife has recently lost her job and just in my neighborhood block are several other families facing the same issue. It seems odd that none of our other utilities in the area has behaved in this manner. I would ask that you not grant the new increase to Utilities, Inc. and in fact roll back the previous increase as it was way out of line. Thank you.

Katie Ely

090005

From: Ruth McHargue
Sent: Wednesday, April 29, 2009 4:45 PM
To: Ann Cole; Dorothy Menasco; Katie Ely
Subject: FW: To CLK

Please add to docket file.

From: Consumer Contact
Sent: Wednesday, April 29, 2009 3:56 PM
To: Ruth McHargue
Subject:

From: wgw Walton@bellsouth.net [mailto:wwalton@bellsouth.net]
Sent: Wednesday, April 29, 2009 1:15 PM
To: Consumer Contact
Subject: Rate Increase

Dear Sirs,

I just receive another notice from Utilities, Inc., Order No: PSC-08-0104-PAA-WS, Docket No: 080005-WS, notifying of a requested increase in our water and sewer utilities.

The FPSC just authorized a change in rates for service provided on or after January 25, 2009 and now the Utilities, Inc. wants another increase on or after May 2, 2009.

I strongly urge the Commission to disapprove this request. It would not be so bad if I were also able to receive increases in my Social Security and retirement pension every five or so months.

William G. Walton
5477 SE Running Oak Circle
Stuart, FL 34997-1651

4/30/2009

Katie Ely

090005

From: Ellen Plendl
Sent: Friday, March 06, 2009 1:14 PM
To: Kimberley Pena
Cc: Katie Ely
Subject: email

Attachments: FW: Utilities Inc Docket No.080005-WS; RE: Utilities Inc Docket No.080005-WS



FW: Utilities IncRE: Utilities Inc
Docket No.08...Docket No.08...

Docket 060253-WS and 080005-WS

See emails attached and response.

Katie Ely

From: Governor Charlie Crist [Charlie.Crist@eog.myflorida.com]
Sent: Friday, March 06, 2009 10:40 AM
To: Ellen Plendl
Subject: FW: Utilities Inc Docket No.080005-WS

-----Original Message-----

From: Lenny & Cathy [mailto:lsandcs521@att.net]
Sent: Thursday, March 05, 2009 7:10 PM
To: Governor Charlie Crist
Cc: Atty General Bill McCollum; Congressman John L. Mica; Plakon, Scott; Seminole Board of County Commissioners; CONSTANTINE, LEE.S22
Subject: Utilities Inc Docket No.080005-WS

Dear Governor Crist,

Subject: Utilities Inc Rate Increase Requested, Under Section 367.0814 **Docket No.080005-WS.**

WHERE DOES IT END? This may be an unusual way of starting, but it happens to be the first and the last question I will ask you in this e-mail.

In order to bring you up to date I have a brief recap; Two year ago on February 19, 2007 my wife and I attended a meeting presented by the FPSC for the customers of Utilities Inc in reference to their Rate Increase Requested under Docket No. 060253-WS. There were only staff members in attendance, which in itself sent a negative message to all who were there. When we left the meeting we were more disheartened about the way the system works than when we arrived.

I was given a booklet at the meeting titled, Inside the FLORIDA PSC 2007. On page 8 in the section titled "Maintaining the Balance", this line was in the paragraph; "The commissioners must balance the needs of the utility and its shareholders with the needs of consumers". I find that particularly disturbing, because the Oath Of Offices that was taken by all the Commissioners puts the Consumer First, not the needs of the utility and its shareholders. Another line referred to Section 364.01(4), F.S deals with the advantage or disadvantage of Telephone Companies. Unlike consumers looking for a phone company, we have no selection of which Water Company to pick from, to put it bluntly, "were screwed".

I am not aware if you personally or one of your staff members have ever looked into Utilities, Inc and their Parent company, AIG Global Investment Group. (This company was worth over \$538 billion dollars in 2007.) In CFO Magazine February 2007 there is an article titled Water for Profit. This article explains plans to raise the value of water. One line from the article, "With a seemingly endless stream of available "tuck-in" acquisitions and investor-friendly regulators, water companies like Aqua America and American Water are riding the crest of a wave that shows no sign of crashing". Now the FPSC is letting Utilities Inc ride the same wave. Now our government is giving AIG millions as part of the bailout, FOR WHAT?

As a point of interest and information for you, On **January the 8th 07 on the Utilities Inc** announced the appointment of a new **Executives John Williams**, as the Director of Governmental Affairs. (**HIS BIO**) "He brings with him more than thirty years of experience in the regulation of water and wastewater utilities at the Florida Commission. He was a Senior Analyst in the Florida Public Service

3/9/2009

Commission's Office of Strategic Analysis and Governmental Affairs. He has testified and made recommendations in hundreds of utility cases and was responsible for the Public Service Commission's water legislative program. Williams has frequently made presentations on behalf of the Commission at the Florida Legislature. **ALL OF THESE YEARS THERE HAS BEEN A FOX IN THE HEN HOUSE, Shame on the State of Florida Lawmakers that have been completely unaware of this fact.**

This has clearly been a Conflict of Interest for years! It needs to be fixed!

In 07 the FPSC has granted them a 50%+ increase as an interim, Utilities Inc wants 90% increase. In Seminole County alone they want 40% for water and 50% for wastewater. The total package for all the counties comes to over \$3 million dollars. When I asked the Engineer who was at the meeting about the Calcium that is in the water, he said, "that the facility on Weathersfield Avenue has **No Purification System** and that they just filter the big particulates out". Nothing has changed in the quality of the water in over 36 years that I have been living here. The only improvement I have seen is the new office building that went up a few years ago, which certainly has nothing to do with the quality of the water.

Now they want more money, for what? In the letter I just received a few days ago they are asking for a total of almost 11% this time, for water and wastewater in Seminole County alone, I am almost positive that all the other counties have received letters as well.

Florida has 18,251,243 million senior citizens age 65 and over (of which I am one). That's 17 percent of the state's population. There are over 45.865 thousand seniors just living in Seminole County Florida. How do you think another increase in their water bill will affect those seniors that have Utilities Inc? As it stands now there are many seniors that have resorted to eating cat food just to be able the keep their power on. Is the Florida Public Service Commission looking for the same thing to happen to everyone that is on a fixed or low income in Seminole County? Where is the money supposed to come from? Social Security may give a few % increases, we don't have a commission that we can go to and ask for more money.

Governor Bush appointed and trusted you by the Oath of Office to look FIRST after the welfare of the people. If you allow these increases to go through you will have betrayed a trust he placed in you.

This Board of the Florida Public Service Commission needs to be replaced with people that have the interest of the people in the state of Florida first not the stockholders of a billion dollar company. Years ago Paula Hawkins was one of the key politicians that was responsible for putting this, what I call, "Auto Increase Upon Request Statue" into place, hopefully it will take another politician to fix it.

And so my last question, **WHERE DOES IT END? - - I HOPE WITH YOU**

Sincerely

Lenny Salvo

407-299-9151

LSandCS521@att.net

3/9/2009

Katie Ely

From: Ellen Plendl
Sent: Friday, March 06, 2009 1:10 PM
To: 'lsandcs521@att.net'
Subject: RE: Utilities Inc Docket No.080005-WS

Mr. Lenny Salvo
lsandcs521@att.net

Dear Mr. Salvo:

The Governor's office forwarded a copy of your email regarding Utilities, Incorporated (Utilities, Inc.) to the Florida Public Service Commission (PSC). The PSC regulates investor-owned electric, natural gas, and telecommunications utilities throughout Florida, and investor-owned water and wastewater utilities in those counties which have opted to transfer jurisdiction to the PSC.

You expressed a concern about Utilities, Inc.'s application for an increase in water and wastewater rates in Seminole county. We appreciate your comments regarding the petition and will add your email to Docket No. 060253-WS.

If you have any questions or concerns please call me at 1-800-342-3552 or by fax at 1-800-511-0809.

Sincerely,

Ellen Plendl
Regulatory Specialist
Florida Public Service Commission
Division of Service, Safety, & Consumer Assistance
1-800-342-3552 (phone)
1-800-511-0809 (fax)