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Aqua Utilities Florida, Inc.  
2228 Capital Circle NE, Ste. 2A  
Tallahassee, FL 32308

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COMMISSION  
CLERK

January 3, 2011

Ms. Ann Cole, Director  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Betty Easley Conference Center, Room 110  
Tallahassee, FL 32399-0850

*In Re: Application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Hardee, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc., Docket No. 100330-WS*

Dear Ms. Cole:

Enclosed for filing on behalf of Aqua Utilities Florida, Inc.'s ("AUF") are the original and five (5) copies of AUF's response to the Ft. Myers Customer meeting held on November 28, 2010 in the above referenced docket.

Please acknowledge receipt of this filing by stamping the extra copy of this letter "filed" and returning the copy to me. Thank you for your assistance.

Sincerely,

Troy Rendell  
Rates Manager

Enclosure

cc: Bruce May, Holland & Knight  
Charles Beck, Esq.  
Kimberly A. Joyce, Esq.

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Aqua Utilities Florida, Inc.

Docket No. 100330-WS

Ft. Myers Customer Meeting Response

Overview: The Ft. Myers customer meeting was held on November 18, 2010. Three customers provided comments to the Commission staff during the meeting.

Steve Brunner – P.O. Box 100, Sanibel

Staff Specific Request:

Mr. Brunner manages eight condo associations. The Commission has been aware for some time of his potable water irrigation and sewer billing concerns. Apparently billing problems still exist concerning “deduct meter.” Please give an update of the billing status situations for the associations Mr. Brunner represents.

Response:

Mr. Brunner’s concerns are primarily due to the fact there is no “deduct meter” provision in AUF’s tariffs. This is a wastewater only system and the water meters are owned by the water provider. If a deduct meter exists at the property, these deduct meters were installed and are owned by the respective associations. AUF does not own any water meters in its South Seas wastewater system.

Mr. Brunner is a new property manager who recently took over for Mr. Randy Didier, the previous manager. AUF has met with Mr. Didier numerous times over the past year, beginning in March 2010 and continuing through June 2010.

AUF has also met with members of some of these associations in South Seas. Field visits were made to these locations, and as agreed upon by the previous property manager and associations, AUF conducted a thorough analysis of each location. During the field visits with the previous property manager and with the associations, it was discovered that some of the associations did not even have a deduct meter.

The majority of the properties represented by the management company were resolved as a result of the numerous meetings held. One exception was the Beach Villas III. Originally, in June 2010, the representative of the BV III, proposed a resolution and agreed to the proposed settlement of this account by AUF. However, before this issue was resolved, Mr. Didier left the management company.

Subsequent to the customer meeting on November 18, 2010, AUF held several discussions with Mr. Brunner concerning the past actions which had taken place and the Company believes a resolution has been reached.

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Please see the following summaries of each association in question:

The Associations were sent letters in July and August of 2010 outlining each question and considerations originally raised to the PSC by the customer letters. As indicated above, AUF has had discussions as recent as 12/15/10 with the current Island Management representative Steve Brunner.

Bayside Condominium Association

The deduct meter had not reinstated upon initial request. However, it has since been reinstated and this account is being re-billed with any associated deduction credits.

Beach Cottages Condominium Association

This condo association never had a deduct meter installed. It was explained to Mr. Lloyd that AUF was prohibited to offer any "subjective" monthly credits to the account, since the Company is required, by Florida Statute, to bill customers according to its approved tariff. AUF offered to sell the association a water meter, at its cost for subsequent installation. Mr. Lloyd accepted this offer and Beach Cottages installed the deduct meter on August 5, 2010. There were initial billing issues with this deduct meter. However, this has been corrected.

SSP Beach Home Condominium Association 1 – 13

This account has continuously been on an active deduct meter.

SSP Beach Home Condominium Association 14 – 26

This account has continuously been on an active deduct meter.

SSP Beach Home Condominium Association 27 – 33

This account has continuously been on an active deduct meter.

Beach Villas III Condominium Association

The appropriate deduct meter was reinstated and re-billed reflecting the agreed upon credits. These credits were a result of the continued efforts of AUF, the previous property manager, and the condo association through the complaint resolution. During the process of the complaint resolution the bills were being held by AUF pending the outcome of the process. Since a resolution has been obtained by all parties, the bills will no longer be held. As indicated above, the Condo Owners Association has agreed with the credits offered by AUF, based on the in depth analysis of the past water consumption on the installed deduct meters as of December 15, 2010. Currently, this account is billing correctly and will continue to be monitored by the AUF office in conjunction with Island Management.

### Gulf Beach Villas

The deduct meter is in the system. However, this deduct meter is currently estimating, due in part to the fact that this meter being constantly under water and difficult to read. It was determined that a leak is occurring and Island Management was notified on December 14, 2010. The estimated bills will be corrected once an actual read is able to be obtained to reflect actual deductions.

### Marina Villas

Marina Villas never had a deduct Meter. However, the water meter was incorrectly sized in the billing system as a 5/8 meter, and should be billed as a 2 inch meter. This has been corrected.

### Sunset Beach Villas

The Deduct Meter is in place and on the account. The deduct meter was previously estimating and has been corrected.

### Tennis Villas

The deduct meter was reinstated and is billing correctly as of December 2010. This account was credited back to last year for amount recorded on the deduct meter. This account is now up to date and is being billed correctly.

### Additional PSC Staff Request:

Provide information concerning multiple sewage spills related to liftstation malfunctions that occurred in September of 2009.

### Response:

September 2009: There were five abnormal events that took place involving the South Seas system: three at Lift Station #4; and, two at Lift Station #2. All events were reported to the FDEP and cleanup activities occurred promptly.

The events involving Lift Station # 4 were due to both pumps tripping the heater overload switches and one of the pumps ultimately failed. Both pumps have been replaced by AUF.

The events involving Lift Station # 2 were due to a breaker tripping on both occasions. AUF technician checked the panel and breakers for loose connections. This lift station has not had any further issues to date.

During this past year there has been over \$46,000 in capital investments in the South Seas lift stations to replace pumps and control cabinets, upgrade the power supply and repair a part of the collection line.