

Collin Roehner

From: Office of Commissioner Brown
Sent: Wednesday, February 22, 2017 9:55 AM
To: Commissioner Correspondence
Subject: FW: Reconsideration of Discriminatory Decision
Attachments: Reconsideration 02122017.doc

Please place in Docket Correspondence, Parties and Interested Persons, in Docket 150071-SU.

Thank you.

From: Ann Aktabowski [<mailto:harborshoreshoa@gmail.com>]
Sent: Tuesday, February 14, 2017 4:13 PM
To: Office of Commissioner Patronis; Office of Commissioner Brisé; Office of Commissioner Brown; Office Of Commissioner Graham; Office of Commissioner Polmann
Cc: Records Clerk
Subject: Reconsideration of Discriminatory Decision

Dear Commissioners,

Please see the attached letter. Your review and response will be appreciated.

Sincerely,

Ann Aktabowski
Representative
Harbor Shores HOA
770 862-6200
akta@aol.com

HARBOR SHORES CONDO UNIT OWNERS ASSOCIATION INC.
6800 Maloney Ave. Lot 100
Key West, FL 33040
February 14, 2017

Dear Commissioners,

I am writing to request a **reconsideration of an unfairly discriminatory decision** made during the PSC Conference on February 7, 2017 regarding the rate increase approval of Key West Resort Utilities Corp in Docket #150071. It is my understanding that in order to request a reconsideration, I must argue a mistake of fact or law and I believe that we will be able to establish that the decision made, as described below, is indeed such a mistake of both fact and law.

In particular, Issue #18: Should the members of Harbor Shores Condominium Unit Owners Association, Inc. (Harbor Shores) be classified as Residential customers or a General Service customer?

Recommendation: Staff recommends that Harbor Shores be classified as a general service customer, but should continue to be billed a base facility charge (BFC) based on 69 equivalent residential connections (ERCs) and a gallonage charge with a 10,000 cap per ERC.

PSC's decision results in blatant discrimination in that Harbor Shores is being treated differently than others such as Sunset Marina (SM), Meridian West (MW) and Flagler Village(FV) and this difference is discriminatory.

The PSC has a Statutory obligation not to set unfairly discriminatory rates:

- Section 367.081(2)(a)1. "The commission shall, either upon request or upon its own motion, fix rates which are just, reasonable, compensatory and not unfairly discriminatory...."

Staff's recommendation included the following:

- Quotes: "Staff believes that if billing is allowed on the size of the two FCAA meters, then the Utility would not be adequately compensated for the demand Harbor Shores' residents are placing on the system." and "Staff believes that Harbor Shores should be billed as a general service customer based on 69 ERC's to reflect the capacity Harbor Shores reserved when the system capacity charges were paid." Page 56 of Staff recommendation.
- Questions:
 - ◇ What is the difference in demand?

- ✧ How do the individual Harbor Shores sub-meters put any additional demand (total gallons) on KWRU versus the individual sub-meters in Sunset Marina (SM), Meridian West (MW) and Flagler Village (FV)?
- ✧ How is total demand (total gallons) for Harbor Shores on KWRU different than total demand for SM, MW and FV?
- ✧ Why does meter “ownership” make any difference in the demand placed on the KWRU system?
- ✧ If KWRU will not be adequately compensated for Harbor Shores demand, then how is KWRU adequately compensated for the demand caused by SM, MW and FV?
- ✧ Is Flagler Village being billed based on 49 ERC’s which is the number of units and the capacity charges they reserved and paid?
- ✧ Is Sunset Marina being billed based on 60 ERC’s which is the number of units and the capacity charges they reserved and paid?
- ✧ Is Meridian West being billed on 102 ERC’s which is the number of units and the capacity charges they reserved and paid?

To more fully understand the issue allegedly causing the Harbor Shores increased demand, I visited each of the three properties, i.e. Sunset Marina, Meridian West and Flagler Village to determine what, if any, sub-meters were in place. At each community there are individual sub-meters at each unit which are read by management and the residents are billed by management either monthly or quarterly or via rental or HOA payments.

I also discussed the issue with FKAA Engineering and they cannot think of any differences in the flow or demand that private sub-meters or FKAA sub-meters will place on the KWRU system.

● Fact:

- Harbor Shores is placing the same demand on KWRU’s system as SM, MW and FV, yet Harbor Shores HOA is required to pay more than these communities. That is discriminatory.
- Harbor Shores maintains all the infrastructure behind the two FKAA master meters and Harbor Shores is responsible for all the water that flows through these two master meters.
- There is no demand difference between a privately owned sub-meter and an

FKAA owned sub-meter. Ownership of the meter does not affect the demand placed on KWRU's system.

- Staff's recommendation focuses on the fact that FKAA owns the meter: however, ownership of the meter is irrelevant and is a distinction without any real difference.
 - Demand should be measured at the master meters for Harbor Shores as it is for SM, MW and FV and not at the sub-meters.
 - Harbor Shores paid the same ERC's per unit as did SM, MW and FV, yet these communities are not paying residential BFC's based on those ERC's. That is discriminatory.
- Law:
 - Treating Harbor Shores different from Sunset Marina, Meridian West and Flagler Village is discriminatory.
 - Harbor Shores should be treated the same as Sunset Marina, Meridian West and Flagler Village.
 - Relief:
 - To be treated equally, Harbor Shores should pay the general service BFC for its two master meters (not its FKAA owned sub-meters) and the same general service gallonage charge that Sunset Marina, Meridian West and Flagler Village pay. If Harbor Shores is not treated the same as them, then each Harbor Shores resident should be billed individually by KWRU and KWRU should be responsible for the collection of those bills (not Harbor Shores HOA).

Please consider my letter as my formal request for reconsideration of Issue #18 in the final order that is issued.

Thank you for taking the time to review this matter and we sincerely hope that you find our arguments convincing and you will correct the mistake prior to issuing the Final Order. Please let me know what you plan to do.

Respectfully,

/s/ Ann M. Aktabowski
Ann M. Aktabowski
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