

Commissioners:
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DIVISION OF WATER & WASTEWATER
DANIEL M. HOPPE, DIRECTOR
(850) 413-6900

Public Service Commission

March 20, 2000

Mr. Armand Chevigny
205 Old Key West Place
Ft. Pierce, FL 34982

Re: Docket No. 970409-SU, Initiation of limited proceeding to restructure wastewater rates for Florida Water Service Corporation's Tropical Isles service area in St. Lucie County

Dear Mr. Chevigny:

Thank you for your letter of February 23, 2000. I will attempt to address your concerns regarding your wastewater bill.

As you know, the Commission has been evaluating the feasibility of an alternative rate structure for the Tropical Isles residents, as well as examining the actual rate level itself. By Order No. PSC-00-0526-PAA-SU, issued March 13, 2000, the Commission changed Tropical Isles' rate structure from a flat rate per month (with no vacation rate) to the Commission-preferred base facility and gallonage charge rate structure. Under this newly-approved rate structure, the customers will pay a base facility charge (BFC) of \$13.52 per month for service, regardless of whether the customers have any usage in a given month or not. In addition, the customers will pay \$5.95 for each 1,000 gallons of water used, capped at a maximum of 6,000 gallons each month.

So, in the months you are in Canada, you will pay the BFC of \$13.52 per month. During the months you are living in Tropical Isles, your monthly charge will be the BFC of \$13.52, plus the \$5.95 gallonage charge for the water you use. However, in no instance will you be billed for more than 6,000 gallons of water use in a given month.

In addition to changing the rate structure for the Tropical Isles residents, the Commission also found it appropriate to include additional customers in the rate calculation. The inclusion of these additional customers has the effect of lowering customers' bills.

I have calculated examples what your charges will be, based on various usage levels. These are examples shown on the following page.

- _____ APA
- _____ APP
- _____ CAF
- _____ CMA
- _____ CTR
- _____ EAG
- _____ LEG
- _____ MAS
- _____ OPC
- _____ PRR
- _____ SEC
- _____ WAW
- _____ OTH

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RECORDS REPORTING

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<u>If your water usage in a given month is</u>	<u>Your wastewater charge that month will be</u>
0 gallons	\$ 13.52
1,000 gallons	19.47
2,000 gallons	25.42
3,000 gallons	31.37
4,000 gallons	37.32
5,000 gallons	43.27
6,000 gallons and over	49.22

I hope I have adequately addressed your concerns regarding your wastewater bill. If not, or should you have additional questions, please do not hesitate to contact me at (850) 413-6964.

Sincerely,



Jennie Lingo
Economic Analyst
Bureau of Policy Development
and Industry Structure

\FJL

cc: Division of Wastewater (Hoppe, JWilliams, Rieger)
Division of Legal Services (Gervasi, Fudge)
Division of Records and Reporting (docket file)