

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSIO

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In the Matter of  
Petition of SOUTHERN STATES  
UTILITIES, INC., in Martin  
County, For a Rate Increase.

DOCKET NO.920199-WS

RECEIVED  
OCT 19 1992  
FILED

PROCEEDINGS: MARTIN COUNTY SERVICE HEARING  
BEFORE: COMMISSIONER CLARK  
DATE: Wednesday - September 30, 1992  
TIME: Commenced at 6:00 p.m.  
Concluded at 8:35 p.m.  
PLACE: Martin County Administrative Center  
First Floor  
Commission Meeting Room  
2401 Southeast Monterey Road  
Stuart, Florida 34996  
REPORTED BY: LAURA LEE LASSISE, Notary Public  
of the State of Florida at Large.

RECEIVED  
Division of Records & Reporting  
OCT 19 1992  
Florida Public Service Commission

ORIGINAL

## 1 APPEARANCES:

2

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6 7464, on behalf of the Public Service Commission.

7

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9 Room 812, Tallahassee, Florida 32301, Telephone  
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10

11 FLOYD SELF, Messer, Victor, P.O. Box  
12 1876, Tallahassee, Florida 32301, on behalf of  
13 Southern States Utilities, Inc.

14

15 HOWARD E. GOOGE, ESQUIRE, 401 East  
16 Osceola Street, Stuart, Florida 34994, Telephone  
17 Number (407) 286-2990, on behalf of Lelani Heights  
18 Home Owners.

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ADMITTED

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1           COMMISSIONER CLARK: Bring this meeting  
2 to order.

3           Can you hear me? Can you hear me?

4           We have to start with a few formalities.  
5 First of all, the reading of the notice. I'd  
6 like to ask counsel to read the notice.

7           MR. VILLAZON: Yes, ma'am. Pursuant to  
8 notice this time and place has been set for a  
9 service hearing in Docket Number 920199-WS,  
10 application for a rate increase in Brevard,  
11 Charlotte, Lee, Citrus, Clay, Duval, Highlands,  
12 Lake, Marion, Martin, Nassau, Orange, Osceola,  
13 Pasco, Putnam, Seminole, Volusia, and Washington  
14 Counties by Southern States Utilities, Inc. ;  
15 Collier County by Marco Shores Utilities; Hernando  
16 County by Spring Hill Utilities; and Volusia  
17 County by Deltona Lakes Utilities.

18           COMMISSIONER CLARK: Thank you. We'll  
19 take appearances. Shall we start with you,  
20 Mr. Shreve?

21           MR. SHREVE: Jack --

22           COMMISSIONER CLARK: It may be on.

23           MR. SHREVE: Can you hear me okay?

24           COMMISSIONER CLARK: Yes.

25           MR. SHREVE: Jack Shreve, Public Counsel

1 for the Legislative, Tallahassee, Florida,  
2 representing the citizens of the State of Florida  
3 in opposition to the rate increase.

4 MR. SELF: My name is Floyd Self. I'm an  
5 attorney with the Messer, Victor law firm, P. O.  
6 Box 1876, Tallahassee, Florida. I'm appearing on  
7 behalf of Southern States Utilities, Inc.

8 MR. VILLAZON: Daniel Villazon with the  
9 Public Service Commission, 101 East Gaines Street,  
10 Tallahassee, Florida, representing the Commission  
11 Staff.

12 COMMISSIONER CLARK: Thank you. Good  
13 evening. My name is Susan Clark. I'm a  
14 commissioner with the Florida Public Service  
15 Commission, and I'll be chairing and hearing this  
16 proceeding this evening.

17 We are conducting this proceeding to hear  
18 your comments with respect to the rate increase  
19 requested by Southern States Utilities. We'd like  
20 to hear your comments on the rate increase, and  
21 we'd like to hear your comments on the quality of  
22 service delivered by this company.

23 Very often we're asked how a rate case  
24 proceeds, and I like to take a few minutes to  
25 explain to you the procedures in a rate case.

1 It's started by a company requesting a change in  
2 its rates. It begins officially when it files  
3 its petition for a rate change. This is a legal  
4 document which summarizes the basis on which they  
5 believe that they should have a change in their  
6 rate. That document is accompanied by voluminous  
7 financial engineering and rate data, which is then  
8 examined by our staff and by public counsel and  
9 other intervenors.

10 Through the course of the proceeding, not  
11 in this public hearing, but in hearings that will  
12 be held in Tallahassee next month, intervenors  
13 such as public counsel and our staff will present  
14 evidence and testimony regarding the rate  
15 increase. We will also hear from the company.

16 From start to finish rate proceedings  
17 take about eight months to get the documents in  
18 from the utility, they are examined, we hold  
19 service hearings such as this hearing. We hold  
20 -- in this case it will be two weeks appearing in  
21 Tallahassee to review the data they have  
22 submitted. And then prior to the end of eight  
23 months we will make a decision at an agenda  
24 conference. What happens is the staff makes a  
25 recommendation based on what happens at the

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1 hearings, and we make that decision at a meeting  
2 very much like what your County Commissioners  
3 hold.

4           During all these proceedings the hearings  
5 are represented by attorneys. Mr. Shreve has just  
6 introduced himself to you, as has Mr. Floyd [sic]  
7 and our staff counsel, Mr. Dan Villazon. I'd  
8 also like to introduce to you other staff members  
9 who are present who are here to answer your  
10 questions or concerns you may have about the rate  
11 increase.

12           To my left is Trish Merchant. She is an  
13 accountant with our staff. In the back of the  
14 room we have Stella Malloy -- if you'll raise  
15 your hand -- who is with our Consumer Affairs.  
16 Billie Messer, who is a rate analyst with our  
17 Water and Sewer Department. Bev DeMeelo, who is  
18 with our Public Information Bureau. And finally  
19 the gentleman in the suit back there is my aide,  
20 Mr. Billy Styles. Any one of these people can  
21 help you with your questions that you may have  
22 that you may not want to ask in a public forum.

23           At this point all of those people wishing  
24 to testify should have signed up in the back of  
25 the room with either Mr. Shreve or Bev DeMeelo.

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1 Mr. Shreve will call the names in order, and I'd  
2 like to ask you to come forward, I guess right  
3 over here, to present your testimony.

4 Two things I should tell you: You will  
5 be sworn in so that your testimony can be relied  
6 on by the Commission in reaching its decision.  
7 Also, when you come up here would you give your  
8 name and if you feel -- if it's a difficult  
9 spelling, please spell it so the Court Reporter  
10 can take it down.

11 What I would like to do is customarily  
12 both the utility and Public Counsel make brief  
13 opening statements. After that I would ask  
14 everyone who has signed up to testify, to stand  
15 up so I can swear you in, and then we will begin  
16 with the public testimony.

17 With that I'd like to have the company  
18 give their opening statement.

19 MR. SELF: Thank you, Commissioner Clark.

20 Again, my name is Floyd Self, and I'm an  
21 attorney representing the Southern States  
22 Utilities.

23 As Commissioner Clark indicated to you,  
24 this is a case that stems from an application  
25 filed by the Utilities to increase water and waste

1 water rates. The application is extremely  
2 comprehensive. It covers virtually all of the  
3 water and sewer systems operated by Southern  
4 States, which are regulated by the Florida Public  
5 Service Commission. Specifically the application  
6 encompasses a hundred and 27 systems spread  
7 throughout 19 counties.

8 Based on its present state -- rates,  
9 investors in Southern States are currently  
10 experiencing a negative overall return on common  
11 equity of 8.32 percent. In fact, for each of the  
12 last three years Southern States has not been able  
13 to recover through its present rates sufficient  
14 revenues to cover the interest that the company  
15 owes to its lenders.

16 The purpose of Southern States'  
17 application is to bring the rates to a level so  
18 that the company will have the opportunity to earn  
19 a fair and reasonable rate of return on its  
20 investment in water and sewer facilities. And  
21 once again we'll be able to attract the necessary  
22 investment to meet customer growth and increased  
23 regulatory requirements.

24 The Commissioners, Commission Staff and  
25 Florida Legislature, and virtually every entity

1 involved in the water and waste water industry  
2 have recognized that environmental regulation has  
3 increased and that such regulation increases the  
4 cost of providing water and waste water service to  
5 Florida residents. For instance, in Fox Run DER  
6 has required the addition of eight iron filters  
7 plus a new well and generator which cost in  
8 excess of \$300,000. It is no coincidence that  
9 water and waste water providers across the State  
10 are currently, or in the recent past or in the  
11 near future, have been subject to increasing their  
12 rates in recognition of these increased regulatory  
13 costs.

14 The cost of achieving the State of  
15 Florida's and the company's conservation and  
16 environmental goals are high. Southern States is  
17 a leader in the area of conservation and  
18 environmental, and is recognized in both the State  
19 and federal levels for its efforts.

20 Many of the systems involved in this  
21 application have not been subject to rate  
22 increases for as long as 12 or 13 years. Through  
23 no fault of the customers the fact remains that  
24 since many of the Southern States' systems were  
25 last subject to a rate increase, Southern States

1 has incurred significant increases in operating  
2 expenses, and has also constructed additional  
3 water and waste water plants to meet such needs  
4 as customer growth and environmental regulations  
5 imposed by the State and federal governments.

6 As Commissioner Clark indicated the  
7 hearing on the company's request in Tallahassee  
8 will take place in November. At that time the  
9 Commission will hear evidence on many technical  
10 issues concerning the Utilities' request such as  
11 the amount of the Utilities' investment and  
12 facilities and the amount of operating expenses  
13 incurred for each of the systems that are at  
14 issue in this case. Southern States will be  
15 prepared to justify and prove to the Commission  
16 that it is entitled to the requested increase in  
17 its rates.

18 This is a service hearing and it  
19 represents your opportunity to address the  
20 Commission and to provide the Commission Staff and  
21 the company with your comments about the company's  
22 service and its proposed rates. We welcome the  
23 time set aside this evening to hear you express  
24 your concerns, and we look forward to your  
25 comments about the company's service and its

1 rates.

2 Commissioner, I've already passed around a  
3 -- what I believe the next Exhibit Number is 11,  
4 it will be Composite Exhibit 11, which is the  
5 notice and proof of publication for tonight's  
6 hearing.

7 COMMISSIONER CLARK: Will you show that  
8 into the record without objection.

9 (Composite Exhibit Number 11 entered  
10 in the record without objection.)

11 Do you have a copy of it?

12 MR. SELF: Thank you.

13 MR. SHREVE: Madam Chairman, I am Jack  
14 Shreve, Public Counsel, and I'm representing the  
15 citizens here in opposition of the rate case.

16 A couple of years ago we had a hearing  
17 just about like this, or meeting just about like  
18 this, when Southern States came in with 32  
19 systems. We were successful in having that  
20 dismissed, but you've been paying an interim rate  
21 increase ever since. Finally a few weeks ago,  
22 while we were successful -- even though the  
23 company had appealed that and continued to collect  
24 that for quite some time, we were successful in  
25 the appeal and that money should be refunded to you.

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1 I work for the legislature. I'm funded  
2 by the legislature, and my instructions have  
3 always been to represent the people just as though  
4 they're our clients and to do the very best job  
5 we can. We're funded out of the general fund and  
6 that's exactly what we do, is hit it as hard as  
7 we can in representing you. And I appreciate  
8 your turnout here tonight and the turnout last  
9 time and the interest that you showed, because I  
10 think it was meaningful at that point and tonight.

11 I'll be very brief, because we want to  
12 hear from you. But I would like to point out  
13 some things that are really, really wrong with  
14 this case. They filed a hundred and 27 different  
15 systems in this one case. There's never been a  
16 case like this before, and it is impossible to  
17 handle and it will not be thoroughly examined. I  
18 don't think there is any way that it can be done.

19 Here in your county you have three  
20 companies, six total systems. At the most that  
21 would have normally been one rate case. You  
22 could have had as many as 90 rate cases out of  
23 the 127 systems that are represented here.

24 This is being held under the same  
25 statutory time frame that you would hold any other

1 case, and it is almost impossible to handle, when  
2 you're handling 20 counties from northwest Florida  
3 all the way down here to Martin County and across  
4 the State over to Lee County. I can't be done.

5 The Topeka Group purchased Southern  
6 States. That's owned by Minnesota Power. They  
7 talk about the environmental costs going up. I  
8 don't think environmental costs can in any way be  
9 used to justify any increase to you people here.  
10 I don't think it's possible. I don't think it  
11 can be used to justify a majority of the systems  
12 across the State and the increases that they're  
13 asking for. They're asking for enormous  
14 increases.

15 One of the things that I really object to  
16 is the way that the notice was sent to the people  
17 and the way the case was filed with the  
18 Commission. They left the interim amount in the  
19 notice when they sent that out to the people,  
20 which when you received your notice with the  
21 information that was sent to you by the company,  
22 it would indicate for Fisherman's Haven a water  
23 increase of about 26.5 percent; when, in fact,  
24 your increase will be about 73 percent. It would  
25 indicate a sewer increase of about 49 percent;

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1 when, in fact, it's about a hundred and 34  
2 percent.

3 For Fox Run, they indicated an increase  
4 of roughly a hundred and 57 percent. And this is  
5 if you used the figures that they gave you when  
6 they're coming from one figure to the increased  
7 rate that they're asking for, from 157 percent;  
8 when, in fact, your increase would be about 246  
9 percent, if they get what they're asking for.  
10 The sewer in Fox Run, their calculation for their  
11 figures would have indicated about a hundred and  
12 93 percent; when, in fact, it's about 361 percent.

13 For Lelani Heights they indicated roughly  
14 6.27 percent when, in fact, it would have been  
15 about 40 percent; and the sewer about 2.51  
16 percent; when reality was about 61 percent.

17 That tends to make many, many people not  
18 have the interest that they normally would if they  
19 looked at that and they think, oh, we're only  
20 going to get a two percent increase; when, in  
21 fact, it's much more than that. And that's not  
22 right, because it disenfranchises the people. It  
23 doesn't let them know what the facts really are.  
24 And the people are entitled to it.

25 One of the other things I don't think the

1 people are going to know, I believe the company  
2 is asking for a return on much more than they  
3 actually have invested in the system of Southern  
4 States. They should be entitled to a fair return  
5 on their investment, but not on yours. And even  
6 if we lose that issue, you're entitled to know  
7 what the information is, to know what they really  
8 have invested and know what they're getting a  
9 return on. It's like walking in the bank and  
10 saying, "Here's a hundred dollars, give me  
11 interest on 200." And they're doing it. And  
12 that's not fair to the people of the State of  
13 Florida.

14 They're asking in this case for 12.85  
15 percent return on their investment, and that's  
16 after taxes. That would mean that the people,  
17 the customers, would be paying roughly 18 or 19  
18 percent to support that profit. In this day and  
19 age with the economy where it is, that's  
20 outlandish. It is uncalled for.

21 I hope we can put this case together, and  
22 I think we'll be able to show that there are  
23 many, many holes in their case and that they do  
24 not deserve the increase that they've got of the  
25 magnitude that they've asked for. And we hope

1 it's going to be denied.

2 Thank you very much.

3 MR. SHREVE: I'd like to call our first  
4 witness --

5 COMMISSIONER CLARK: I'll swear them in.

6 MR. SHREVE: -- first witness that we  
7 want to swear.

8 Mr. Pruitt will be the first witness.

9 COMMISSIONER CLARK: All right. At the  
10 same time I swear in Mr. Pruitt, I would like  
11 everybody who intends to present testimony to also  
12 stand and raise your right hand and affirm that  
13 you will swear to tell the truth.

14 In this matter of the Court of the Public  
15 Service Commission, do you swear to tell the  
16 truth, the whole truth, and nothing but the truth?

17 (Intended speakers sworn as a group.)

18 REPRESENTATIVE PRUITT: Yes, I do.

19 Good evening. And thank you, Miss Clark,  
20 for coming down. And I certainly appreciate the  
21 opportunity to be able to address the concerns of  
22 my constituents regarding the Southern States'  
23 request for a rate increase.

24 In the last case before the Public  
25 Service Commission you had allowed an interim rate

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1 increase for Southern States, and before that  
2 increase one of the subdivisions that I represent,  
3 Lelani Heights, had a rate base of \$4.77 for  
4 water and 76 per thousand gallons of water. The  
5 Public Service Commission had granted an interim  
6 rate increase which have raised -- which would  
7 have raised those rates to \$6.07 and \$1.06 per  
8 thousand gallons.

9           The case, as you well know, with that  
10 rate increase was won and was dismissed by the  
11 courts, and I feel that these customers are  
12 desi -- or entitled to a reimbursement of those  
13 dollars. And to this date, those dollars have  
14 not been refunded to them.

15           The people have not received, as  
16 Mr. Shreve mentioned here earlier, have not  
17 received any accurate information regarding this  
18 rate increase. And based on the original rates,  
19 as he mentioned earlier, the actual increase will  
20 amount to 40.5 percent for water for Lelani  
21 Heights, and 61 percent for sewer. This increase  
22 is an outrage. It would be an outrage during  
23 good economic times, and it's absolutely immoral  
24 during this recession we're feeling right now.

25           Most businesses, and mine included, have

1 had to cut their profit margin, and yet Southern  
2 States is asking for its customers to provide a  
3 12.85 percent return on their equity after taxes  
4 and expenses. I would strongly encourage the  
5 members of this Public Service Commission to deny  
6 this rate increase and to refund to these  
7 taxpayers the dollars that they have owed to them.

8 I would say furthermore that what  
9 Southern States has provided in the way of service  
10 and the quality of water, I would say is immoral  
11 in itself. And based on Statute Chapter 367.0814,  
12 Paragraph 4-A, it states -- and very brief --  
13 "The rule shall provide that upon a finding of  
14 good cause including inadequate service, the  
15 Commission may order a utility to refrain from  
16 implementing a rate increase."

17 So there we even have it in statute where  
18 the quality of the water -- and certainly the  
19 residents of that area can say more to that than  
20 I can -- that alone is inscribed in statute. And  
21 it certainly is not fair to put to the rate  
22 payers the burden for these systems that have been  
23 bought -- when you mentioned about the increase as  
24 far as the interest not even being paid -- it  
25 certainly is not fair to them to have to pay for

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1 a white elephant which you bought in the first  
2 place.

3 I would say that based on -- as I speak  
4 to you, I speak not only as a lay person and a  
5 legislator, but somebody who actually owns a water  
6 system company. I build the system that many of  
7 these systems, certainly not the ones that they're  
8 using, but I build these systems. I employ 26  
9 individuals. I have three offices on the Treasure  
10 Coast here. And I can tell you that if I went to  
11 my contractors with a 40 percent to a 60 percent  
12 increase, they would tell me not only to hit the  
13 road, but they would slam the door behind me  
14 quickly.

15 I can assure you that my piping, my  
16 fittings, and my other water-related components  
17 have not gone up 40 to 60 percent and, in fact,  
18 in the past three years the worst case price  
19 scenario that I have for my business for the  
20 equipment would be at the CPI, the cost of living  
21 index itself. My administrative costs have been  
22 constant because of good management as well as --  
23 certainly I have not been afforded to be able to  
24 give them a raise as well -- but you live within  
25 your means. And that's what -- and that's what

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1 we have done. And I have not even had to raise  
2 my prices. And I can tell you the last three  
3 years, I've had a profit margin in my company of  
4 about two percent. And I can tell you that even  
5 in the good times, I never netted 12.85 percent,  
6 as what these folks are going to be netting.

7 No doubt, much of the frustrations that  
8 Southern States has as they will allude to is  
9 with the DER. And I certainly feel for you  
10 because of my constituents that I have to work  
11 with on that.

12 But I can tell you that -- and, Miss  
13 Clark, I see that you're on the JAPC Committee,  
14 the Joint Administrative Procedures committee --  
15 so this is very near and dear to you, the  
16 incipient policies that comes down many times from  
17 these agencies,. And that's something that we  
18 closed the gap this past legislative session with  
19 the new rules bill. We're going to have to have  
20 more outcome measures from these agencies where  
21 they just can't go in and do incipient rules and  
22 policies and get away with it.

23 So, I would encourage Southern States to  
24 start standing up to DER. And I can tell you the  
25 systems that I have to put in many times are much

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1 more overbuilt than what is needed for that area.

2 In closing as caretakers of the people, I  
3 know that you face a dilemma, but I ask you  
4 please, not saddle my constituents for paying not  
5 only for their mistakes but for their outlandish  
6 and outrageous price increases.

7 Thank you.

8 COMMISSIONER CLARK: Thank you,  
9 Mr. Pruitt. I have a question.

10 REPRESENTATIVE PRUITT: Okay.

11 COMMISSIONER CLARK: One thing I would  
12 like to point out to you, the interim increase  
13 from the last case is on its way back. As you  
14 well know, because it was on appeal the court  
15 issued a stay -- I believe it was the court  
16 issued a stay -- so that the status quo would be  
17 maintained. But that money does come back to the  
18 rate payers. It will be a credit on your bill  
19 and you get interest at the commercial rate.

20 REPRESENTATIVE PRUITT: Madam Chairman,  
21 when is that time period; is that --

22 COMMISSIONER CLARK: My understanding, as  
23 I recall a recommendation from yesterday, it would  
24 begin November 18th. I would like --

25 MR. SELF: Commissioner Clark, if I may.

1 COMMISSIONER CLARK: Okay.

2 MR. SELF: The refund is supposed to be  
3 completed by November, either 16th or 18th.

4 COMMISSIONER CLARK: Okay. So it will --  
5 when -- and it will show up as a credit on bills?

6 MR. SELF: Yes.

7 COMMISSIONER CLARK: Okay.

8 MR. SHREVE: If it's supposed to be  
9 completed by then, how you going to do that if  
10 the refund is larger than the bill?

11 COMMISSIONER CLARK: My understanding of  
12 our rules is that if it is larger than it shows,  
13 then it will be credited at the next billing  
14 cycle, also.

15 There's someone from the company who may  
16 have more recent information than that.

17 VOICE: Commissioner, it will be refunded  
18 in the form of a check -- I mean not a credit;  
19 check.

20 COMMISSIONER CLARK: At any rate,  
21 whatever form it comes back in --

22 REPRESENTATIVE PRUITT: It's going back.  
23 Well, good. Well, thank you very much. I  
24 appreciate that.

25 COMMISSIONER CLARK: Thank you for coming

1 out.

2 MR. SHREVE: I just want to make one  
3 point. A lot of times the people don't  
4 understand, I mentioned that I, actually my office  
5 works for the Legislature. And I'd just like to  
6 thank you and the Legislature for your support,  
7 particularly of the consumers, not just in this  
8 county but over the State. And we really  
9 appreciate the support and --

10 REPRESENTATIVE PRUITT: Thank you.

11 MR. SHREVE: -- it comes out of general  
12 fund, and we could not accomplish anything without  
13 you all.

14 REPRESENTATIVE PRUITT: Every once in  
15 awhile we get it right.

16 MR. SHREVE: Thank you.

17 REPRESENTATIVE PRUITT: Thank you very  
18 much. Thank you, Miss Clark.

19 MR. SHREVE: Thank you.

20 Mr. Buddy Googe.

21 COMMISSIONER CLARK: Mr. Googe, assuming  
22 he's pronounced your name right.

23 MR. GOOGE: He did.

24 COMMISSIONER CLARK: Would you please  
25 give me your name and from which system you take

1 service.

2 MR. GOOGE: Okay.

3 COMMISSIONER CLARK: And spell your name,  
4 if it's difficult.

5 MR. GOOGE: Okay. I think this Court  
6 Reporter knows my name. I'm an attorney, and I  
7 represent Lelani Heights' Board of Directors. And  
8 thank you for the opportunity to speak tonight.

9 It's difficult for me really to indicate  
10 any more important than what Mr. Shreve and  
11 Representative Pruitt have indicated, and by far  
12 the most important people are going to talk  
13 tonight are going to be you, the people who are  
14 truly affected.

15 But on behalf of the Board of Directors  
16 of Lelani Heights' Association, they do oppose the  
17 rate increase and for the obvious reasons.  
18 Representative Pruitt indicated that it is immoral  
19 in these economic times to ask for a 40 and 60  
20 percent increase. I think it's on the verge of  
21 being illegal in the form of the notice itself.  
22 You may have heard about due process. It's on  
23 the form of misrepresenting the facts.

24 There are probably owners out there who  
25 thought, well, it's only 2.51 percent for waste

1 water; when, in fact, it's 61 percent. So just  
2 on the technical, legal basis, in my opinion this  
3 whole notice is illegal and improper. The owners  
4 should have been afforded the right to see the  
5 true numbers, not using an interim rate which has  
6 been and will be refunded. And I'm glad to hear  
7 it will be by check.

8 But just on a technical basis the Board  
9 would oppose it on those -- for those purposes.  
10 It's more than just an immoral increase. The  
11 entire system of this process by grouping a  
12 hundred and 27 systems in with -- a hundred and  
13 26 with Lelani Heights, we feel is improper. And  
14 that goes more to the tack, the way it's being  
15 presented.

16 If there's a DE problem in one system,  
17 that doesn't have anything to do with Lelani  
18 Heights necessarily. Why should they bear the  
19 brunt of another system? The point is we believe  
20 that this should be treated on more of a case-by-  
21 case basis so that the people at Lelani Heights  
22 may not have to pay a greater increase, a  
23 percentage, simply because somewhere another one  
24 of the systems has a problem, a perceived future  
25 problem, maybe with DER. That's just not

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1 appropriate.

2 We also object to the ability to come in  
3 in the process, get an interim rate without  
4 increase, without having really the opportunity to  
5 be heard truly on how these people feel and the  
6 quality that they're going to talk about of the  
7 services.

8 The bottom line is we reiterate what  
9 Mr. Shreve has said, what Representative Pruitt  
10 has said, and the Board of Directors of Lelani  
11 Heights on behalf of its members ask that the  
12 Commission not approve this rate increase.

13 Thank you.

14 COMMISSIONER CLARK: Thank you.

15 MR. SHREVE: Thank you.

16 Pat Nagy.

17 MS. NAGY: I didn't know when I was  
18 signing the list I was going to be the first one  
19 to speak. I thought that was just a list of  
20 who's coming to the meeting.

21 First of all --

22 COMMISSIONER CLARK: Could you spell your  
23 last name, please?

24 MS. NAGY: N, like in Nancy, a-g-y. I'm  
25 from Lelani Heights. I'm a customer.

1           First of all, I would like to mention I'm  
2 not a real good speaker, so forgive me if I  
3 stutter or if I make some mistakes.

4           I agree with Representative Pruitt and  
5 I'm glad that he has come forward and has pretty  
6 much answered a lot of the questions that I had.

7           I first of all found myself having to  
8 take off work today in order to get here on time,  
9 so I believe 6:00 o'clock was a kind of  
10 unrealistic time for us all to be here, but  
11 that's my personal opinion.

12           I've been a resident of Lelani for 12  
13 years, and I've seen the water increase go from  
14 \$12 a month up to almost \$90, and that is the  
15 amount of my bills, and that's only on my  
16 personal bill. I find that even though we are  
17 trying not to use water, we are also trying to  
18 keep our homes looking good and so forth. And  
19 with the rates as they are, I know a lot of us  
20 have cut back for more reasons than one, you  
21 know, that being that the costs of the water are  
22 so great that people that live in this area or in  
23 other areas are on fixed incomes or retired people  
24 who have limited incomes.

25           I'm not sure that I'm really voicing my

1 opinion, because I don't know what I was supposed  
2 to present this evening.

3           What I would like to say is I have a two-  
4 year-old child who at times when we've had water  
5 breaks in Lelani Heights, the water in our  
6 glasses, I would put into a clear glass and it  
7 would be brown with particles on the bottom of  
8 the glass. And it would be up to me to call the  
9 water company to find out if this water was safe  
10 for my child to drink.

11           I've filled the bathtub at times and  
12 found that when I drained the bathtub out there's  
13 sand all in the bottom of the tub. I don't know  
14 if this is a particular problem with my house or  
15 not, but I don't feel that the quality of the  
16 water is very good.

17           There are times when we drink the water  
18 -- I think all of you can vouch for this -- that  
19 there is such a chlorine odor to the water, that  
20 you can barely get the water up to your mouth.  
21 Also mentioning with the child, my pediatrician  
22 has advised that -- of course without water  
23 testing, I told him that there is a lot of  
24 chlorine in the water, and he suggested that my  
25 child drink bottled water. Of course, I don't

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1 have any facts or figures or water tests to show  
2 that these are, in fact, what the readings are on  
3 the water.

4 The other thing is, of course, when there  
5 are breaks in the community or in Lelani Heights,  
6 it's up to us to tell the people at the water  
7 company that this has happened. There are  
8 sometimes days that go by where our streets are  
9 showing that there is some type of a water leak  
10 and nothing has been done and we have had -- I  
11 have called or someone else has called and that's,  
12 of course, when we see the brown water and the  
13 problems with the drinking water.

14 My other question was that about the  
15 interim rate increase, which I guess we're all  
16 happy to find out about, that we're going to get  
17 a refund on that.

18 But that's just basically my opinion, you  
19 know. And I thank you for the time in listening  
20 to me.

21 COMMISSIONER CLARK: Hold on just a  
22 minute. By the way you did very well.

23 MS. NAGY: Thank you.

24 COMMISSIONER CLARK: Are there any  
25 questions?

1 I do have a question. You said there was  
2 sand and dirt in the water.

3 MS. NAGY: Uh-huh.

4 COMMISSIONER CLARK: Is that only after  
5 there has been a break in the line, or do you  
6 experience that with some frequency?

7 MS. NAGY: At the point that I found it,  
8 where it was real bad in my bathtub, there was no  
9 break.

10 COMMISSIONER CLARK: I'd like -- Billie,  
11 would you raise your hand -- I'd like you to give  
12 -- you know, one of those two people back there.

13 Billy Styles, if you would give him your  
14 name and address, I would like to have one of our  
15 engineers call you --

16 MS. NAGY: Okay.

17 COMMISSIONER CLARK: -- with more  
18 specifics to see about this particular problem.

19 MS. NAGY: Okay.

20 COMMISSIONER CLARK: Thank you very much.

21 MS. NAGY: Thank you.

22 MR. SHREVE: Thank you.

23 Pyora Wilkhu, I believe.

24 MR. WILKHU: This is Pyora Wilkhu. I  
25 live in Fox Run.

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1           COMMISSIONER CLARK:    Would you spell your  
2 last name?

3           MR. WILKHU:    Yeah.    W-i-l-k-h-u.

4           COMMISSIONER CLARK:    Okay.

5           MR. WILKHU:    I live in Fox Run over the  
6 last about nine years.

7                    To start with I was paying, as the other  
8 girl said, about \$12 in my Fox Run place per  
9 month.    Of course, the water quality at that time  
10 was really, really bad.    With the incoming of  
11 Southern States Utilities, water quality did go up  
12 later, but the prices up to now what we have been  
13 paying have been about, I'd say, \$30 or so.    But  
14 they were in two or three increases before.    And  
15 now I find, you know, with their interim and the  
16 final rates, the final rates that they have as  
17 compared to the present rates, my bill from 30 to  
18 \$35 a month will go up about \$80 a month, which  
19 is almost overall, including the water and waste  
20 water, is more than 200 percent increase.    That's  
21 too much, you know, to think of it.

22                    I have my safe deposits in the bank which  
23 gives me only two or three percents, and that is  
24 including my -- I have to pay taxes on that.    And  
25 Utilities is asking for 12 percent after the taxes

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1 is exorbitant. It should not be approved that.  
2 There should be some reasonable ability, but not  
3 this much exorbitant rates.

4 That's what I would say. And I would  
5 take no more time. Thank you.

6 COMMISSIONER CLARK: Thank you very much.

7 MR. SHREVE: Thank you.

8 Mr. Kaplish.

9 MR. KAPLISH: My name is Amrit Kaplish.  
10 I live in Fox Run for the last nine years.

11 COMMISSIONER CLARK: Can you also spell  
12 your last name?

13 MR. KAPLISH: K-a-p-l-i-s-h.

14 COMMISSIONER CLARK: Good.

15 MR. KAPLISH: I've been living in Fox Run  
16 for the last nine years. When I moved in there I  
17 think it was Cook Company who owned the water and  
18 the sewage. The water quality was pretty bad at  
19 that time.

20 Since Southern Utilities has moved, the  
21 water quality has gone up a little bit. My water  
22 bill at that time used to be \$21; now it's about  
23 \$47, with almost the same gallon usage per month.

24 As Pyora said earlier, I have CD's in the  
25 bank, too, at three percent. If Southern

1 Utilities want 12 percent net after taxes, they'll  
2 earn 18 percent. I would like to borrow some  
3 money from the bank at eight or ten percent and  
4 invest in SSU and get 12 percent net. That would  
5 be pretty good, you know.

6 And the other thing is they're saying  
7 that according to the EPA guidelines, they have to  
8 put in iron filters which will cost them \$300,000.  
9 We have about 50 houses in the community. Let's  
10 say they increase, everything increases \$50 a  
11 month per house which comes to \$2500 a month, and  
12 over 12 years it comes to what, \$30,000? That  
13 means they will wait ten years to get the cost  
14 back for that unit.

15 Where's their 18 percent net profit? How  
16 do they get that? Do they put that on other  
17 utilities, other customers in the other counties  
18 to get that amount? We get three to five percent  
19 raise a year. How can they get so much increase?  
20 I don't think it's justified at all.

21 So I don't want the Commission to approve  
22 beyond a reasonable percentage.

23 Thank you.

24 COMMISSIONER CLARK: Thank you very much.

25 Did you have a question?

1           MR. SHREVE: Well, I think if you want  
2 some information on that point you made about the  
3 \$300,000 --

4           MR. KAPLISH: Yes. And Mr. Pruitt, I  
5 think he looks like a pretty good expert on  
6 utilities. I would like some input from him also  
7 to the Commission.

8           COMMISSIONER CLARK: When a utility makes  
9 an investment, we do allow them to recover that  
10 money --

11          MR. KAPLISH: I understand that, but as I  
12 say, I don't get more than three percent. The  
13 bank rates right now, even for mortgages at about  
14 eight percent. How can the utility get a 12-  
15 percent profit?

16          COMMISSIONER CLARK: Well, I point out to  
17 you it hasn't gotten it.

18          MR. KAPLISH: They haven't got it, but  
19 they're asking, that the more they ask, you know,  
20 the better chances they have to get more.

21          COMMISSIONER CLARK: Well --

22          MR. KAPLISH: If they ask for three  
23 percent, they might get two percent.

24          COMMISSIONER CLARK: That would be a  
25 subject explored in the rate meeting in

1 Tallahassee.

2 MR. KAPLISH: Okay. How do they -- I  
3 would like --

4 MR. SHREVE: I just have a point to add.  
5 If they invest \$300,000, you explained the way it  
6 would come back, and where would they get it?  
7 That adjustment would be there and it would be  
8 depreciated and the customer would have to pay the  
9 depreciation back to them over a period of time  
10 as well as a return, which is the twelve eight-  
11 five that you were talking about on their equity  
12 investment in that, but an overall return on it.

13 So they would be entitled to a return  
14 each year to be determined by the Commission, as  
15 well as depreciation until that is fully  
16 depreciated which would be, as you mentioned, 20  
17 to 30 years.

18 MR. KAPLISH: One more thing, you know, I  
19 would like to know how do they substantiate that  
20 this is the cost that they are going to enter,  
21 like this iron filter system, 300,000; how did  
22 they come up with that figure?

23 COMMISSIONER CLARK: Well, they would  
24 have to present evidence that that is a prudent  
25 cost for them to incur. And you should also know

1 that we employ auditors to go out to check their  
2 books to make sure that they have, in fact, spent  
3 the money and that the equipment is in use in the  
4 facility.

5 MR. KAPLISH: Okay. Thank you.

6 MR. SHREVE: Thank you.

7 Louise Corcoran.

8 MS. CORCORAN: That should be Cocoran,  
9 and it's C-o-r-c-o-r-a-n.

10 MR. SHREVE: I tried to tell him that.

11 COMMISSIONER CLARK: That's all right.

12 MS. CORCORAN: Before I start, this was  
13 taken from my tap at 5:30 tonight (displaying  
14 container of liquid). That's what I have to  
15 drink. You need to smell this because if you  
16 drank it, you wouldn't like it. That's what I  
17 live with. That's what the company you're  
18 representing puts in my tap. I'm the first house  
19 off of --

20 COMMISSIONER CLARK: Mrs. --

21 MS. CORCORAN: Corcoran.

22 COMMISSIONER CLARK: Corcoran. I think  
23 -- you need to describe that for the Court  
24 Reporter.

25 MS. CORCORAN: Oh, I'm sorry.

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1           It's tap water from my bathroom that I  
2 ran at 5:30 to bring with me tonight.

3           COMMISSIONER CLARK: And would you  
4 describe it as having an odor of chlorine?

5           MS. CORCORAN: There is enough chlorine  
6 present in this water, not by water testing by  
7 the way, just by smelling, that I probably don't  
8 need to use bleach in my wash.

9           Essentially I'm here to tell you I'm  
10 opposed to the rate increase, as you might well  
11 guess. For the last three years, both as a  
12 former president of Lelani Heights' Home Owner's  
13 Association and as a customer of Southern States,  
14 I have had dealings with this company. My  
15 water -- my house is the first house off of a  
16 lift station, I believe that's what they call it.  
17 I'm not entirely sure of that term.

18           They don't even return my phone calls  
19 anymore because they know exactly what I'm going  
20 to say when they get on the phone. I have been  
21 keeping a log for the last three years.  
22 Presently I brought about 18 months' worth for  
23 chlorine dates when the chlorine was so strong I  
24 either could not use the water or called up and  
25 said, you know, "Let's do something about this."

1           I know that the State of Florida mandates  
2 that there be a certain amount of water [sic]  
3 basically in the water. But when my inefficient  
4 little pool test kit tells me that there's 1.5  
5 percent chlorine in the water, that's a bit much.

6           Three years ago I discovered that I have  
7 muscular dystrophy. I am not in any way saying  
8 that the chlorine in the water caused this, but I  
9 don't know how this is affecting me health-wise,  
10 along with all of the other people. None of us  
11 know because there have been no comments or  
12 information given to us from either the State or  
13 Southern States or anyone else that we've tried to  
14 get information from as to what this chemical can  
15 do to us if we have too much of it.

16           Many of my neighbors -- many, many,  
17 many -- have bottled water. Well, I work for a  
18 living so that I can maintain a certain standard  
19 of living, and I don't feel that I should have to  
20 pay for bottled water if, in fact, I'm already  
21 paying outrageous rates for water from Southern  
22 States Utilities.

23           Their service has been not what you'd  
24 call exemplary. When I was Board president a  
25 couple of years ago there was a water main break

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1 and it took them a day, a whole 24-hour day  
2 period to get around to getting to it. I asked  
3 them to put a boil-water out, a boil-water warning  
4 out. They said to me, "How do we do that?"

5 Well, I should think that a company as  
6 large as this that intends to have a hundred and  
7 27 systems involved in a rate increase would have  
8 some idea of how to put out a boil-water warning.  
9 There should have been something said. There were  
10 people that suffered bouts of diarrhea from this  
11 water. There were people that got sick.

12 In the past few years my neighbors and  
13 some of the other customers for the utility have  
14 been involved with complaints to this utility. We  
15 have felt in a way that there was nothing we  
16 could do. They were bigger than us. And if they  
17 get to be a hundred and 27 systems strong,  
18 believe me, they'll be bigger than us, and there  
19 won't be anything we can do.

20 This rate increase is outrageous. If  
21 they're going to give us a refund, are we going  
22 to get a refund at 12.85 percent? They've had  
23 our money for 18 months. Why shouldn't we get  
24 more than what they're -- I mean, if that's what  
25 they want us to pay, why shouldn't we get it

1 back?

2 I might be rambling, but I'm trying to  
3 get -- stick to the point.

4 COMMISSIONER CLARK: That's all right.  
5 Go ahead.

6 MS. CORCORAN: Pete Peterson came by my  
7 house last night. He cannot be here because he's  
8 a fireman at Dade County and he's on duty down  
9 there, so he left me with a letter. I'm not  
10 going to read the whole thing, but --

11 COMMISSIONER CLARK: We can, you know, we  
12 can just enter it into the record.

13 MS. CORCORAN: Okay. That would be fine,  
14 because he was emphatic. He really wanted to be  
15 here to speak, but he goes on duty for three days  
16 and he could not be here.

17 I have a couple of other points that I  
18 wanted to make about the dirty water. When there  
19 is no water main break, when there is presentably  
20 no problem, the toilet bowls are brown. I am  
21 probably not a fanatic house cleaner. I don't  
22 think I am. But I don't like brown water in my  
23 toilet anymore than anybody else does. That means  
24 that the water that's in my toilet is  
25 representative of what everybody else has. That's

1 not fair, not when I pay this kind of money for  
2 water rates and sewage.

3           When you call the company you get an  
4 answering service, and they in turn refer you to  
5 somebody. Now the local people have been very  
6 kind when they do return my call, but they  
7 stopped doing that any more. They don't really  
8 want to hear from me anymore, so they just don't  
9 call me back.

10           I think it's time that Southern States  
11 either realize that the people around here would  
12 rather have a decrease in rates than an increase.  
13 They don't give us good service. They have not  
14 done anything to merit an increase nor should  
15 Lelani Heights pay for the mistakes that they've  
16 made other places before they clean up their act  
17 where we live.

18           Thank you.

19           COMMISSIONER CLARK: Thank you very much.  
20 If it's all right with the parties, I'd like to  
21 enter this as an exhibit.

22           MS. CORCORAN: It is a list of dates on  
23 the chlorine.

24           COMMISSIONER CLARK: I'd like to enter  
25 this as Exhibit 12 and the log as Exhibit 13.

1 MR. SHREVE: Fine.

2 COMMISSIONER CLARK: Let me just give you  
3 a title. Exhibit 12 will be comments by  
4 Mr. Richard H. Peterson. And Exhibit 13 will be  
5 the log of Mrs. Corcoran.

6 (Exhibit Numbers 12 and 13 entered  
7 in the record.)

8 MS. CORCORAN: Yes.

9 COMMISSIONER CLARK: Let me ask you, can  
10 you put them back up, and let me ask you what the  
11 dates represent. Do they represent when you had  
12 a strong smell of chlorine?

13 MS. CORCORAN: Yes, they do.

14 COMMISSIONER CLARK: In other words,  
15 these were the times that the water would  
16 smell --

17 MS. CORCORAN: Like that --

18 COMMISSIONER CLARK: -- like that.

19 MS. CORCORAN: -- only worse.

20 COMMISSIONER CLARK: Thank you very much.

21 MS. CORCORAN: You're welcome.

22 MR. SHREVE: Thank you.

23 Mr. Coffinbarger.

24 MR. COFFINBARGER: I'll just spell that,  
25 it's C-o-f-f-i-n-b-a-r-g-e-r. And the first name

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1 is Terry. And I'm the current president of  
2 Lelani Heights' Home Owner's Association.

3 I thank everybody for being here and for  
4 their input, and I'll probably ramble off, because  
5 those of you who know me, know that I'll do a  
6 little bit on the phone than I do at a  
7 microphone. So pardon me in advance.

8 You've already heard some testimony from  
9 the people that live on our system and other  
10 systems as far as quality of water is concerned,  
11 or quality of service is concerned. Not being  
12 familiar, as I would find it difficult for the  
13 Commission and the other people involved in the  
14 case -- and I don't know about the 126 systems  
15 that are involved -- ours, we are very, very  
16 close to this plant. In addition to water  
17 quality problems, we've -- there's been a constant  
18 odor problem which has been, I think,  
19 characteristic of our system for a long time.  
20 There has been improvement from what I understand  
21 of the people who have been there. And I have  
22 been there -- I live in Lelani, and I've been a  
23 resident there for about five -- little bit over  
24 five years. Our home, I would say, is probably a  
25 hundred and 50, 200 yards from the plant at the

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1 most. So I am in close proximity to it.

2 It is improved. One of the things that  
3 you heard 18 months to two years ago was that  
4 odor was a terrible problem. In fact, some of  
5 our home owners didn't really know what to do  
6 except to try to exit their home.

7 COMMISSIONER CLARK: You're saying there  
8 was an odor coming from --

9 MR. COFFINBARGER: Odor from the plant  
10 coming in.

11 COMMISSIONER CLARK: Waste water --

12 MR. COFFINBARGER: Yes, ma'am.

13 COMMISSIONER CLARK: -- from the  
14 treatment plant?

15 MR. COFFINBARGER: Yes, ma'am. Other  
16 than the in-home water odor. It is improved from  
17 a standpoint, from a day-to-day basis; however, it  
18 is still present. I have an 11-year-old daughter  
19 that catches the bus sometime around 8:30 to 8:40  
20 in the morning, and if we were to have them here,  
21 the kids at times don't want to stand and wait  
22 for the bus because of the odor that's there.  
23 They're a little closer. They're probably within  
24 a hundred yards of the plant.

25 But all that to say that the reason

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1 that's a problem is, is we're real close  
2 neighbors. I think the people that are here are  
3 trying to be good neighbors and trying to voice  
4 their opinions. I don't know that we -- I think  
5 that's part of the problem we may have with the  
6 utility at this point in time.

7           The system that we're going through, the  
8 current interim that we're here to discuss  
9 tonight, while it was filed with you all, if I  
10 understand this correctly, the District Court of  
11 Appeals was still trying to rule on the initial  
12 one that was out. That ruling took place on July  
13 16th. They had until July -- August 17th of this  
14 year, I believe, to make up their decision --  
15 "they" being the company -- to either file the  
16 ultimate appeal with the State Supreme Court or to  
17 proceed with the current interim case.

18           I assume at this point that they chose to  
19 proceed with the current interim case, and on the  
20 -- after midnight of August 17th, by them not  
21 filing a motion, you all ruled on the current  
22 interim that's going to go into effect that we're  
23 here to talk about tonight as being permanent.

24           While that's happening, and it's great  
25 news to hear that we're going to get a check

1 back, because up until the gentleman stood up and  
2 informed us of that, I had been told by my phone  
3 calls to the Consumer number for the Public  
4 Service Commission that the ruling is, or the law  
5 is, or the rules are, that it is a billing  
6 credit. And up until the gentleman stood up from  
7 the company, it was going to be a billing credit.  
8 And I also was going to wonder how they were ever  
9 going to do that by November 18th. So it's nice  
10 to know that it's going to be a cash refund to  
11 the people, and that that's going to be over  
12 with, because that's been a constant question from  
13 the residents of Lelani.

14 Another thing I would just like to voice  
15 an opposition to is the system that we're going  
16 through tonight. It would seem to me that if I  
17 were to be a business -- and I'm managing an  
18 automotive industry today -- that if I were going  
19 to go in for a public increase, that I would have  
20 to go and air that with the public and with you  
21 all prior to being able to collect the money. I  
22 don't understand from a businessman's point of  
23 view, or even as a homeowner's point of view, how  
24 they can get the money up front and then, "Well,  
25 if we don't get the approval, we'll give it

1 back."

2 I think that's also part of the problem  
3 you have when you say people are not earning as  
4 interest on their money, it doesn't make you feel  
5 real good about getting your money back either.

6 We don't want to be considered with a  
7 hundred and 26 other systems. I don't think that  
8 they can properly address the concerns of the 400  
9 lot owners that are in our area. I think our  
10 system is, of course we all probably do, but I  
11 think it's unique and it has unique features to  
12 it that need to be considered on an individual  
13 basis. I don't think there's people here that  
14 might not say that Southern States is due some  
15 sort of a reasonable increase in revenue, in  
16 return for maybe just a reasonable increase in  
17 service.

18 But based on some sort of accountability  
19 that the funds that they're going to -- that they  
20 are going to collect are going to be used for  
21 improvement right there in our area, again because  
22 of proximity that we are to the plant. We feel  
23 it's there. It's there every day that we drive  
24 in and out of the system. And I hate to think  
25 that the filters that they're talking about for

1 another system, if the funds they collect are  
2 over-collecting out of our system, we're going to  
3 help offset that cost and make it easier to move  
4 funds around to a hundred and 26 systems. So I  
5 really -- I'm not saying they can't apply to you  
6 all for an increase, but I'd like to see them do  
7 it on an individual basis so that the actual  
8 facts to be considered for each one of those  
9 systems.

10 Time is a problem for all of us, and  
11 trying to set up board meetings is just a  
12 problem. But I don't know of any contact that  
13 I've had or any of the other board members have  
14 had this year from Lelani Heights from Southern  
15 States to say, "How are we doing? Do you all  
16 have any problems with our plant? Is there  
17 something we can do to be a better neighbor?"  
18 And they are a neighbor with us.

19 I guess taking a cheap shot, Mr. Self,  
20 they just did the pre-interim or during the  
21 interim, resodding. They put some plant -- they  
22 put -- they painted some posts and put them out  
23 and they did some cosmetic repair to the outside  
24 of the plant. That's no real indication that  
25 says anything is changed on the inside.

1 I guess again, I'm sorry, I'll probably  
2 end up rambling here.

3 If they have not been able to get the  
4 quality of service that we feel as a service  
5 people that we should have with our system with  
6 the current interim, that they are just not having  
7 -- that they have lost the appeal for and are  
8 going to have to return the money for, collecting  
9 those funds during a period, and what assurances  
10 do we have that if they increase our monthly  
11 bills even more, that the quality of service is  
12 going to actually go up at all.

13 Just for comparison, my November '87 bill  
14 had a usage shown -- and I'm just using some  
15 numbers here -- a usage shown of 20,990 -- I  
16 assume that's gallons, if I'm understanding the  
17 measurement properly -- and the bill is for forty-  
18 six thousand sixty-nine cents. My July '92 bill  
19 showed a decrease in usage to thirteen five-  
20 ninety, but the bill was \$67.90. So we do try to  
21 conserve, and one of the things we've done to  
22 conserve also is to have bottled water. It is  
23 what we drink and what we use. And I hadn't  
24 really thought of the chlorine savings use that we  
25 could have had in the pool, but based on the

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1 testing that we have done, we actually don't  
2 really have to worry about it if we just turn the  
3 water over in the pool all the time.

4 I'm concerned about the return that  
5 they're looking for on the investment they may  
6 have had perhaps from a management point of view,  
7 and I really don't understand the acquisitions  
8 that go on. I assume there has to be some equity  
9 involved in the systems that they've purchased.  
10 Perhaps they've purchased too many too fast;  
11 perhaps they overstated the equity when they  
12 bought the system, and perhaps that's where the  
13 return has come into. I'm not sure.

14 Again, accountability is one of the major  
15 things I think we need to ask of you all, that  
16 the company be properly accountable, not only to  
17 us but to you, because you all are supposed to be  
18 looking out for us. And again I'd love to see  
19 our system on its own. I would not mind, and I  
20 don't think there's anybody here that would mind  
21 talking to you all about our system on an  
22 individual basis and not with a hundred and 26  
23 other people. I'd like to see the system changed  
24 so that you all can be talking to us prior to  
25 granting them an increase and we wouldn't have to

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1 worry about the refund if we all worked together  
2 toward it in the beginning and not have to work  
3 around it after the fact.

4 And that's really all I have at this  
5 point. Thank you.

6 COMMISSIONER CLARK: Thank you. Very  
7 often we are questioned about the interim rate  
8 increase that pertains, and it does happen that it  
9 goes into effect sometimes before public hearing  
10 such as this. The statute lays out the  
11 parameters and it leaves us very little  
12 discretion, and it is to assure that during the  
13 pendency of a rate case that both the rate payers  
14 and the utility are held in a status quo.

15 The comfort I can give you is that it  
16 does get returned if it is not authorized. But I  
17 do realize that in the meantime they have use of  
18 your money.

19 MR. COFFINBARGER: Isn't it an --

20 COMMISSIONER CLARK: But it is a legal  
21 requirement that's set out in the statute.

22 MR. COFFINBARGER: I understand that.  
23 And I really thank Mr. Pruitt for being here, and  
24 that's because that's one of the things that I  
25 discussed to him is, and he has brought that to

1 my attention. That's something that we'd like to  
2 kind of pursue further, but obviously that's not  
3 something we're going to close tonight.

4 It just would seem to me that everything  
5 that if you want to count it -- if the company's  
6 going to be held in check, if I don't give them  
7 the money until they've proven that they're going  
8 to be good boys, for lack of a better way to say  
9 it, that they might be better faster than they  
10 would to give them the money up front and say,  
11 "Well, you might have to give it back if we  
12 decide that you're not doing a good enough job."

13 COMMISSIONER CLARK: That's not my point.

14 MR. COFFINBARGER: So I understand that  
15 that's a legal change. But again from an  
16 accountability standpoint I would think that that  
17 would be a better way, but that's not -- I  
18 understand that's not really our purpose here  
19 tonight.

20 COMMISSIONER CLARK: That's fine.

21 MR. COFFINBARGER: That's all I have.

22 COMMISSIONER CLARK: Thank you.

23 MR. COFFINBARGER: Thank you.

24 MR. SHREVE: Mr. Coffinbarger?

25 MR. COFFINBARGER: Yes, sir.

1           MR. SELF: I just wanted to clarify  
2 something.

3           MR. COFFINBARGER: Uh-huh.

4           MR. SELF: Misimpression may have been  
5 given. The data for each of the individual  
6 systems has been filed as part of the rate case  
7 as if that was the only rate case -- that the  
8 system was the only rate case being filed. So  
9 you don't simply just have one set of numbers.  
10 You have a hundred and 27 sets.

11           MR. COFFINBARGER: So am I to understand  
12 that what you're saying is that the Commission can  
13 rule and say that the increase will be denied for  
14 Lelani Heights, but the other 126 systems they  
15 will have an increase because we don't feel that  
16 they're -- that's the way it's going to be?

17           MR. SELF: That's quite possible.

18           MR. COFFINBARGER: The other reason that  
19 I bring up -- and I bow to Mr. Shreve for a  
20 second -- but I believe that if the denial of the  
21 last interim was the first one that happened --  
22 you know, I could stand to be corrected on that.

23           COMMISSIONER CLARK: They are separate --

24           MR. COFFINBARGER: Of course, I  
25 understand --

1           COMMISSIONER CLARK: They are separate  
2 cases.

3           MR. COFFINBARGER: I understand the  
4 original docket.

5           COMMISSIONER CLARK: That one --

6           MR. COFFINBARGER: But isn't that one of  
7 the first ones in a long time or maybe --

8           COMMISSIONER CLARK: Where the whole  
9 increase has been denied?

10          MR. COFFINBARGER: Yes.

11          COMMISSIONER CLARK: I know of at least  
12 one other instance --

13          MR. COFFINBARGER: Okay.

14          COMMISSIONER CLARK: -- where that has  
15 happened.

16          MR. COFFINBARGER: Okay. But it's not  
17 the rule. So our concern is is that again if we  
18 were taking everything on an individual basis  
19 rather than on a group of a hundred and 27 cases,  
20 that your job would be easier and actually more  
21 effective and maybe consume less time and energy  
22 looking at individual numbers than trying to  
23 compute everything and to put numbers into -- and  
24 trying to put that thing together.

25          COMMISSIONER CLARK: I believe --

1 MR. COFFINBARGER: One of us --

2 COMMISSIONER CLARK: I think one of the  
3 utility's positions is that it is a better way to  
4 go, and certainly I have heard public counsel now  
5 speak several times and I can guess from what he  
6 says he doesn't think it's a good idea.

7 MR. COFFINBARGER: Well, it's just one of  
8 the reasons from our side and all fairness on  
9 that system -- again, if I'm moving money with a  
10 hundred and -- if I have businesses, I have a  
11 hundred and 27 businesses, obviously if one's not  
12 doing as well as the other, I can guise that very  
13 easily and without any kind of real -- without  
14 you all having any real hand on that, that can be  
15 done without knowledge. And I think that's part  
16 of the concern when you're looking at, again, all  
17 the other cases that are there.

18 Mr. Shreve?

19 MR. SHREVE: You made some points about  
20 the case and I feel very strongly and almost in  
21 total agreement with you. I didn't know -- did  
22 you know that the company is asking for \$1.7  
23 million in rate case expense just to handle the  
24 case to be paid for by the customers?

25 MR. COFFINBARGER: No.

1           MR. SHREVE: One point seven million  
2 dollars. Mr. Self is correct; there have been  
3 numbers filed for every one of the cases -- for  
4 every one of the systems, which brings us back to  
5 the same point. How do you check the investment?  
6 How do you check the expenses on all of these --  
7 all of these different systems? How can you  
8 verify all of that?

9           And as far as the interim goes, one of  
10 the points that I feel strongly about was not  
11 allowed to argue the interim at the time. I  
12 don't think you can do that when you have a  
13 hundred and 27 different systems with different  
14 systems having different allowed equity ranges.  
15 And with some of those systems actually  
16 overearning by the company's own calculations, yet  
17 we're giving them an interim rate increase.

18           So I'm in total agreement with you.  
19 Thank you.

20           MR. COFFINBARGER: It would seem --

21           MR. SHREVE: Thank you.

22           MR. COFFINBARGER: Again, just to go back  
23 to what Mr. Shreve's saying, I guess to reiterate.  
24 It would seem like defense would be less expensive  
25 if it was done prior to the fact and without the

1 interim funds being collected, without proof of  
2 quality of service.

3           And kind of overall, again I think if  
4 there were some involvement, from kind of a naive  
5 point of view, whether it's from a -- as being a  
6 member of our community, it might make things a  
7 little bit easier if we all -- if they could work  
8 with us with a little more input, maybe not on an  
9 18-month or two-year basis asking for another rate  
10 increase and us trying to fight that.

11           The \$1.7 million is an astounding figure  
12 to me, that it would seem that there might be a  
13 better way to either ask for less money. That  
14 would be more realistic and maybe a little less  
15 return or a little less of a percentage of  
16 increase, and it may not be, or such force that  
17 it would be, that it would be opposed with.

18           MR. SHREVE: One point that I made in  
19 Ocala, too -- and Commissioner Clark sat in and  
20 didn't vote. There were two different votes; one  
21 was on the total interim. But, Commissioner  
22 Clark, you voted against, if I guess we could  
23 call it the allocation of the interim. A rate  
24 increase was granted in this latest case.

25           The other point that I'd like to make, it

1 goes right along with what you've been saying, is  
2 the company takes all the time in the world to  
3 prepare their case and they have all of the  
4 information. Then once they file, we're under the  
5 time restrictions that we have, and it puts an  
6 undue burden on the customers.

7 MR. COFFINBARGER: Our home owners were  
8 talking about -- again, many of them -- our home  
9 owners were calling us -- me -- and asking me did  
10 I have any idea. And on the base to was still in  
11 the District Court of Appeals -- I think it was  
12 there from sometime in February -- is that  
13 correct? -- until July 16th when the ruling came  
14 down, and that we had no information.

15 And not -- if I understand -- if I  
16 remember correctly and my memory serves me, it was  
17 like the date of the company's letter to us was  
18 July 24th, eight days after the District Court of  
19 Appeals had denied the appeal by Southern States.  
20 And so it came in the sling of whether or not  
21 they needed to make their decision on what they  
22 were going to do. Were they going to appeal?  
23 And I assume at that point the decision had been  
24 made. They just sort of let time run out, so to  
25 speak, and decided to not appeal that to the

1 State Supreme Court, assuming that the funds that  
2 have been appropriated and accrued and were gone,  
3 we could reappropriate the funds for the new one  
4 and begin to defend it from that standpoint.

5 And I feel like from a public -- again,  
6 from a public standpoint, we did not have proper  
7 knowledge of that. What we're saying is you all  
8 ruled on it on August 18th, and July 24th was the  
9 date of their mailing, assuming that it got there  
10 within 48 hours. That's not a lot of time for  
11 any of us to be able -- and to adequately  
12 comprehend what was going to happen. And if I  
13 understand, I think I talked to the Division of  
14 Records, and we weren't allowed to be at that  
15 meeting. I shouldn't say that maybe we weren't  
16 allowed to be there, we were not allowed to  
17 interject in the meeting at that point in time.

18 COMMISSIONER CLARK: That's correct.

19 MR. COFFINBARGER: And, as you know,  
20 again, even if we had wanted to, if we had done  
21 our homework and we had done our math, we  
22 couldn't say anything at that point in time.  
23 They would not let us do that.

24 That's all.

25 COMMISSIONER CLARK: Thank you.

1 MR. SHREVE: Thank you, sir.

2 COMMISSIONER CLARK: Before you proceed,  
3 before you call you next witness -- I neglected  
4 to tell you all but if you choose not to testify,  
5 you still have an opportunity to send comments to  
6 the Commission. There are single sheets back with  
7 Bev DeMeelo, or there's one attached to this  
8 information sheet.

9 What you can do is fill them out, give  
10 them to Bev, or fill them out and mail them to  
11 the Commission, and we will enter them on the  
12 correspondence side of the record in this  
13 proceeding.

14 Go ahead.

15 MR. SHREVE: Thank you. Mr. Lightsey.

16 MR. LIGHTSEY: My name is Jimmy Lightsey,  
17 L-i-g-h-t-s-e-y, and I live in Lelani Heights.  
18 I've lived there for approximately 12 years.

19 The reason that I remember this meeting,  
20 I got up this morning and was going to make  
21 myself a cup of instant coffee. So I get out my  
22 measuring cup, two-cup measuring cup, go to the  
23 faucet, pull the faucet, fill the measuring cup  
24 about three-quarters full, and it's milky. And I  
25 says, well, I'm going to set it down and see if

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1 it settles down and everything. So I set it  
2 down, and it settled down. I went ahead and put  
3 it in the microwave and made my coffee. And I  
4 says, "Now I have to go to that meeting tonight."

5 And in December of 1990, on December the  
6 5th, I found that I had a brain tumor. And on  
7 December the 12th I was operated on. I spent  
8 approximately 17 or 18 days in Shand's Hospital in  
9 Gainesville. So we were going back and forth,  
10 and back and forth. And my wife looked at the  
11 bills; and we spent six to eight weeks up there.  
12 In one month we was home two days out of the  
13 billing cycle. And we got a bill for 6,000  
14 gallons of water.

15 So my wife called up and wanted to know,  
16 you know, is there some way that they can come  
17 out and check. The gentleman said he would call  
18 her back. Three days later we got a call back  
19 stating that somebody would come around and check  
20 the meter. So I think it was about a week later  
21 these two gentlemen come up, pull in the front  
22 yard with this five-gallon bucket with a mark on  
23 it. So I set there and watched them run the  
24 water into the bucket. And I see the meter's  
25 working fine.

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1           They wanted to know if my neighbors was  
2 using my water while I was gone. I says, "I  
3 don't think so." My wife says, "I checked with  
4 the neighbors. No." And they worked on it, and  
5 they said, "Well, we'll keep a watch on it for  
6 the next three or four months and see if there's  
7 any difference." The next couple of months it  
8 came down and down, and we were home the whole  
9 month, not just two days out of the month.

10           And the chlorine at 2:00 o'clock in the  
11 morning -- I am approximately 200 yards from the  
12 lift station, and it is -- I don't know if it's  
13 liquid chlorine that they're using or powder  
14 chlorine that they're using, but it is strong.  
15 It'll make you sick if you drink it.

16           I guess that's about all I have to say.  
17 But my water bill did come down.

18           COMMISSIONER CLARK: When you were home?

19           MR. LIGHTSEY: When I was home. And the  
20 usage was down. The gallons was down.

21           COMMISSIONER CLARK: So which one of your  
22 neighbors was using your water?

23           MR. LIGHTSEY: You know something,  
24 neither one of them will ever tell me.

25           COMMISSIONER CLARK: Did they have any

1 further suggestions that there might have been a  
2 toilet that was running or anything like that?

3 MR. LIGHTSEY: I checked everything  
4 myself, and they came in and checked, you know,  
5 so --

6 COMMISSIONER CLARK: And that happened in  
7 -- sometime in early 1991?

8 MR. LIGHTSEY: It was -- let's see --  
9 give me just a minute. I have a hard time  
10 remembering.

11 No, it was '91.

12 COMMISSIONER CLARK: Okay.

13 MR. LIGHTSEY: Late '91.

14 COMMISSIONER CLARK: And they checked the  
15 meter?

16 MR. LIGHTSEY: Checked the meter.

17 COMMISSIONER CLARK: And the meter  
18 indicated it was running correctly?

19 MR. LIGHTSEY: Before they checked the  
20 meter, they run some water in the bucket, you  
21 know. That's not going to -- that doesn't show  
22 me that that bucket will hold five gallons of  
23 water.

24 COMMISSIONER CLARK: Well, let me ask you  
25 this: Since that time do you feel that the meter

1 has been accurately recording the amount of usage?

2 MR. LIGHTSEY: I really can't say,  
3 because I check the meter myself every once in  
4 awhile.

5 COMMISSIONER CLARK: Uh-huh.

6 MR. LIGHTSEY: I will cut the meter off  
7 at the house, and we might be gone four or five  
8 hours, you know. I come back and I check the  
9 meter again and it seems like it has moved one or  
10 two spaces; from what, I don't know, and how, I  
11 don't know. And I tried to explain it to them,  
12 and this is the people there that work --

13 COMMISSIONER CLARK: Uh-huh.

14 MR. LIGHTSEY: -- at the building there.

15 COMMISSIONER CLARK: Mr. Lightsey, I'd  
16 like you to also give your name to my aide and  
17 we'll have one of our engineers get in touch with  
18 you and look at you -- at your meter and see if  
19 they can be satisfied and satisfy you that it is,  
20 in fact, measuring accurately.

21 Thank you for coming.

22 MR. LIGHTSEY: Thank you.

23 MR. SHREVE: Thank you, sir.

24 Linda Madernini.

25 COMMISSIONER CLARK: I just told the

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1 Court Reporter, after this witness we'll take a  
2 break and give her about ten minutes to rest.

3 MS. MADERNINI: It's Madernini, M-a-d-e-r-  
4 n-i-n-i. I live in Lelani Heights, and I've been  
5 a resident there for shortly over two years.

6 My problem started with SSU almost from  
7 the start. While my home was under construction  
8 the water company informed the contractor that the  
9 pipes to the property were in one place. We  
10 began digging, water, we hit the water company  
11 pipes which were not correct on the survey of the  
12 land.

13 I had a construction loan at the time and  
14 I was paying ten-and-a-quarter percent interest on  
15 it. It took SSU eight weeks to fix that pipe.  
16 So for eight weeks I could not build, yet I had  
17 to pay ten-and-a-half percent interest on a  
18 \$90,000 loan.

19 They fixed the problem. I was not  
20 reimbursed in any way, shape, or form. I also  
21 live near Mrs. Corcoran and Mr. Lightsey, and I'm  
22 at the bottom of this holding tank for the  
23 storage. The chlorine is unbelievable. You take  
24 a shower in the morning -- I take a shower  
25 approximately 5:30 in the morning -- and, I mean,

1 my hair's not blond from bleaching it, you know,  
2 I mean, it could be the chlorine in the water,  
3 you know. And it's just absolutely unbelievable.

4 My children complain about it all the  
5 time. I have a water service that comes to my  
6 house, Water Works. I pay \$9 a month rental for  
7 a machine. I pay \$5 for a five-gallon bucket --  
8 jug of water and I use probably four a month for  
9 the kids to drink, because I will not let them  
10 drink this water. It's horrible.

11 Not only is the water a problem, but the  
12 service in general is horrendous. I've been in  
13 business for 17 years, 15 of which was in the  
14 water and waste industry. I think the plant  
15 there is a joke. I was absolutely shocked when I  
16 saw it, I mean, if this is what SSU considers  
17 state-of-the-art equipment, you know, perhaps in  
18 1950 it was state of the art. It certainly isn't  
19 in this time in 1992.

20 I had a slight problem with SSU last  
21 month, and I brought the paperwork to show you.  
22 I'd love to have your water bill for \$40. Mine  
23 runs between a hundred and 10 and a hundred and  
24 30 dollars a month for a family of five.

25 I got a notice on September 14th that my

1 water was being shut off because I hadn't paid my  
2 bill. I called the water company. I spoke to  
3 Pat up in the main office, and she told me, "Hey,  
4 sorry, too bad, so sad. You're water's getting  
5 turned off today. Unless you go to the office  
6 and present them with another check for a hundred  
7 and 12 dollars."

8           Unfortunately this hit me at a very bad  
9 time. My husband's been out of work for several  
10 months and just went back to work in August, and  
11 an extra \$112 is not something that I had laying  
12 around the house. It was buy food or pay them  
13 the extra \$112.

14           I asked her if she would just wait  
15 another day or two to see if the check would  
16 clear the bank. She said, "I'll give you to  
17 tomorrow." Because the gentleman from SSU came to  
18 my home and put a little yellow tag on my door  
19 saying that he was going to turn off my water, I  
20 had to pay another \$10 for that service of them  
21 putting that tag on my door. By the way, the --  
22 as I said earlier, the holding tank is behind my  
23 house and they park in my front lawn and walk  
24 through my yard to get to this tank every day, so  
25 I don't understand. Maybe he had to go 15 to 20

1 feet out of his way for \$10.

2 Two days later I called her, she said,  
3 nope, they hadn't received my money. So, up I  
4 went to the -- up to the plant on 24th Street and  
5 paid another \$112.

6 On the 25th I got another notice that  
7 they're turning off the water. I called the  
8 bank. The first check cleared on September 10th.  
9 The second check cleared on September 24th. This  
10 notice is dated September 25th. I called there  
11 yesterday. When I received this, I received this  
12 on Monday.

13 She said, "No, your checks haven't  
14 cleared the bank. I haven't received them."

15 "What do you mean you haven't received  
16 them? You've cashed them. I called the bank."

17 "Oh, let me call you back."

18 I got a call from her the next morning,  
19 "Oh, well, we're very behind in posting our  
20 checks. Yes, your checks are here."

21 So now I have a hundred and 12 dollar  
22 credit, a \$10 credit because I shouldn't have paid  
23 for the man to put the sticker on the door. My  
24 bill for next month is only 90, so right now they  
25 owe me \$30, which they won't send me. They'll

1 take off, I think it's my November or December  
2 bill, I'm that far into credit.

3 So, I mean, I don't mind paying for a  
4 service if I think it's a quality product. I  
5 mean, I'm sure if you bought a refrigerator from  
6 Sears and it didn't work, you certainly wouldn't  
7 pay your charge card. And I don't think that we  
8 should have to pay for service or lack of  
9 services performed.

10 I've also been collecting all the water  
11 bills from the people that I work with who are  
12 all on Martin County water. And this bill is for  
13 two months and it's for \$30.36 for a family of  
14 four. Why do I pay a hundred and 12 dollars  
15 because I have one more child? I think it's an  
16 outrageous amount of money. I'm spending almost  
17 \$1500 a year just for water.

18 Thank you.

19 COMMISSIONER CLARK: Is it my  
20 understanding that the company will be giving  
21 further information on this situation and the  
22 steps they will take to prevent that from  
23 happening in the future as part of a composite  
24 exhibit?

25 MR. SELF: When you asked us to follow up

1 on certain items.

2 COMMISSIONER CLARK: I'm asking -- I  
3 would like you to follow up on this one. And I'd  
4 like to know what the company has instituted so  
5 this does not happen again.

6 And this time Ms. Messer, Billie Messer,  
7 on this particular case, I would like you to look  
8 into the circumstances of it and find out whether  
9 this is a problem that is systemic or is an  
10 isolated incident.

11 MR. SHREVE: Commissioner, I wonder if we  
12 could have that as an individual report rather  
13 than a --

14 COMMISSIONER CLARK: If -- if you believe  
15 that would be helpful.

16 MR. SHREVE: I think it would.

17 COMMISSIONER CLARK: You ought to be  
18 handling the questions.

19 MR. SHREVE: It's her case.

20 MR. SELF: What we're doing is there will  
21 be a response with respect to each of the items  
22 indicated in the service areas. There is to be a  
23 response on each item.

24 COMMISSIONER CLARK: I'll make sure you  
25 have that.

1 MR. SHREVE: Coming in as a composite, I  
2 don't think we want to wait until the hearings to  
3 be able to get it, because I think we may want to  
4 touch base with the people that have the  
5 complaints.

6 COMMISSIONER CLARK: All right.

7 MR. SHREVE: Somebody spent a lot of  
8 time.

9 COMMISSIONER CLARK: I've asked  
10 Ms. Messer to do that. And, Billie, if you would  
11 keep Public Counsel informed about this issue, I  
12 would appreciate it.

13 As I said earlier, I'd like to take about  
14 a ten-minute break to give our Court Reporter an  
15 opportunity to rest.

16 Thank you.

17 MR. SHREVE: Thank you.

18 (Short Recess)

19 COMMISSIONER CLARK: Ladies and gentlemen,  
20 we'd like to continue the hearing.

21 MR. SHREVE: Mr. Wilson, Mr. Burl Wilson.

22 MR. WILSON: My name is Burl Wilson, it's  
23 B-u-r-l, and I live in Lelani Heights.

24 Commissioner Clark, I appreciate you being  
25 here.

1           COMMISSIONER CLARK: Mr. Wilson is  
2 testifying, if you could all be quiet, I'd  
3 appreciate it.

4           MR. WILSON: Commissioner Clark,  
5 gentlemen, ladies, I want to address two areas  
6 tonight. One was the level of service we receive  
7 from SSU, and the second was my observations on  
8 the rate increase. A lot of this has already  
9 been said previously, so I won't hold it up by  
10 going in too much detail.

11           But we also noticed the chlorine levels  
12 and sediment in the water. As Linda Madernini  
13 had said regarding shut-off notices, it seems to  
14 me SSU gives an extremely short period to give  
15 you notice if you're going to shut -- they're  
16 going to shut the water off. In these economic  
17 times a lot of people have a hard time making a  
18 paycheck, and I've noticed it seems they give  
19 about a ten-day notice. I've live in Lakeland,  
20 Florida, and a couple other areas, and I've  
21 noticed generally it's a 30-day notice. They tend  
22 to give you a break, but not here.

23           I have seen on a couple of occasions  
24 where there was a line break and there was no  
25 boil-water notice issued. I complained to the

1 Public Service Commission in one instance  
2 regarding that, and the next time they had a  
3 break, I had a notice on the door. So that's  
4 some improvement. And I thank you for whatever  
5 you did in that regard.

6           Sometime back several of our neighbors,  
7 ourselves, received notices that they wanted to  
8 increase our deposits, because I guess they  
9 thought we were a bad risk. I think we generally  
10 pay our fees in time. And given that SSU is  
11 trying to get another rate increase through these  
12 proceedings this year, I'm wondering if that was  
13 maybe not a quick way to raise cash so they  
14 didn't have to go through the regulatory  
15 proceeding.

16           I'm glad to hear the refunds are being  
17 issued. One observation on that, they have held  
18 our money for a considerable length of time. You  
19 know that they would pay us back with the going  
20 interest rate.

21           COMMISSIONER CLARK: Commercial paper  
22 rate, it's my understanding.

23           MR. WILSON: Okay. My question is, is  
24 that current commercial paper rate, or is it the  
25 paper rate during the length they've held our

1 money? Because interest rates have gone down, and  
2 it seems --

3 MR. SHREVE: That's correct.

4 MR. WILSON: -- they could benefit from  
5 holding our money through this appellate process.  
6 Besides whatever funds they manage to try and run  
7 through for their expense of this appellate  
8 process that they want us to pay for.

9 I've also noticed difficulty in reaching  
10 the people at SSU for problems. They tend to be  
11 non-responsive. I question how well they tend to  
12 read the meters. About a month back I had an  
13 occasion to go under my meter cover and there was  
14 about two inches of dirt on top of my meter.  
15 There's a few weeds growing out if it, and though  
16 we live in Florida and the weeds grow quite fast,  
17 I'm wondering how long that dirt's been there and  
18 when my meter was last accurately read.

19 We have widely varying water usages.  
20 Typically in the past two years it's run from  
21 around 4800 gallons to 16,000 gallons a month for  
22 four people. That's a two hundred and 33 percent  
23 change in usage. You call them up, "Well, maybe  
24 you did an extra load of laundry." My washing  
25 machine isn't that big.

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1           We had a pool problem at one time. We  
2 had to refill the pool, that was a 19,300-gallon  
3 month. I could understand that. That was in  
4 March of '91. But I wonder why in May of '92 I  
5 used 31,710 gallons of water, or maybe they were  
6 just catching up from not reading the meter for  
7 the last few months. It's hard to say.

8           Utilities get a lot sometimes. That's  
9 why they're a monopoly, and that's why you got  
10 the Public Service Commission to help govern them.

11           I noticed one other instance, I should  
12 have called probably DER, but I didn't. When I  
13 was coming home one day around noon one of the  
14 sewer manhole covers was overflowing at the bottom  
15 of 24th Street. There were two employees of SSU  
16 down there. It looked like they were sprinkling  
17 dry bleach on it. Can't tell for sure what they  
18 were doing, but it looked pretty nasty. I'm  
19 wondering how well they maintain their facilities  
20 when you have this type of thing happen.

21           There's been a lot of comments on their  
22 substandard system. They might have bought a pig  
23 in the poke when they purchased it from Coy or  
24 whoever the developer of Lelani Heights was that  
25 they actually purchased the system is, but I don't

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1 -- I don't feel that we should be responsible for  
2 paying for their mistakes.

3           On the rate increase, the way I  
4 understand it you have three components of that --  
5 what we pay. You have the expenses of the  
6 utility. You have depreciation on your capital  
7 equipment items. And you have a return on your  
8 undepreciated capital items. I don't have the  
9 figures where I could look at it and tell you  
10 what I think about it, but I'd like y'all to look  
11 at it when you're having your rate hearing in  
12 regards to their basis for their current capital  
13 that they're demanding a return on. That system's  
14 pretty old. It seems to be most of those items  
15 should be depreciated down. If they have to put  
16 some capital improvements into those items -- to  
17 that plant, that's fine, get a return off of it.  
18 But don't raise our expenses, too, because if  
19 you're putting in the right kind of capital  
20 equipment, your expenses should go down.

21           Another question on that. I don't know  
22 what their land basis is in those capital  
23 improvements, but it should be at whatever they  
24 paid for it. If they're increasing their land  
25 because values are going up, that's not the way

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1 it's supposed to work. GDU has found that out in  
2 St. Lucie County in the last few months.

3 All of this is tied together, so it's  
4 kind of a Catch-22; if they don't increase their  
5 capital improvements, the expenses go up, but if  
6 they do, they shouldn't go up.

7 Another question on the land. Are they  
8 trying to depreciate the land, or not? I've  
9 never seen any place in any appraisal text, or  
10 anything I've ever read where you should be able  
11 to depreciate that item. Once again, I don't  
12 know that they are, but it's a question I'd like  
13 answered.

14 On their expenses, I don't know what the  
15 capacity of that plant is or what the number of  
16 ERC's are, but I'm wondering what kind of  
17 efficiency they have at that plant, and are we  
18 paying for an overcapacity that we shouldn't have  
19 to pay for? I don't see where there's much hope  
20 that they're going to hook up to too many other  
21 homes in Lelani, or too many of the other areas  
22 in that -- that that plant is capable of serving.

23 In the same regards for the functional  
24 problems that might be in that plant because of  
25 its age and the deferred maintenance that might be

1 present in it, if they are all these functional  
2 problems, should we have to pay for it? Should  
3 we have to pay for inefficiencies in over a  
4 hundred and 27 systems spread out over several  
5 counties? The bulk of them are clustered up,  
6 according to this map that we got, in north-  
7 central Florida. It appears there are about three  
8 of them down in Martin County.

9           What kind of costs are allocated to us  
10 because they made maybe a bad decision to purchase  
11 three plants that are way off of their main base  
12 of operations? I guess they can charge a pro  
13 rata of their expenses from their main office in  
14 Apopka down to our plant. Once again, how is  
15 that allocated? If you got a hundred and 27  
16 plants and you divide evenly, it only seems fair  
17 to me if they are all of equal capacity and doing  
18 equal service to an equal number of customers.

19           And my other comment, of course was on  
20 the 1.7 million for expenses for this rate  
21 hearing. Boy, I tell you, I wish I could make  
22 that kind of deal on everything I tried to do and  
23 jump the money up. They should get a return on  
24 their investment, and not on what they think the  
25 plant's worth or whatever. The pipes that are

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1 underground in Lelani, the customers of Lelani  
2 Heights own those. They paid for hook-up fees  
3 and tie-in costs when they tie into that system.

4           There have been court decisions in Miami  
5 in the GDU case in regards to what a utility  
6 system actually owns and what they should be  
7 compensated for. That's one of the, I think,  
8 prime examples of a little divergence of the  
9 opinion on what a utility is really worth and  
10 what a utility owner thinks it's worth. I think  
11 the range is something like 30 million to a  
12 hundred and 30, and it looks like it's going to a  
13 low end.

14           And lastly I wanted to give you the  
15 observation that a utility is a monopoly. And we  
16 work in a free-market system that has to be con  
17 -- the monopolies have to be controlled by some  
18 type of public service commission. And I  
19 seriously question whether any type of business,  
20 either a monopoly or one where they have  
21 competition, should be rewarded for inefficiencies  
22 and bad decisions.

23           Thank you very much.

24           COMMISSIONER CLARK: Thank you,  
25 Mr. Wilson. You certainly have hit on a number

1 of issues that are very pertinent to this case,  
2 and we will be looking at virtually each one of  
3 those points you have brought up.

4 Thank you.

5 MR. SHREVE: Chris Albright.

6 MR. ALBRIGHT: I don't know what to say  
7 other than the fact I'm new to Lelani Heights.  
8 I've really been educated with all the problems  
9 that they're having, because I can't honestly say  
10 that I've had that many problems. I've only been  
11 there for three or four months though. I started  
12 smelling my water more often. I'm always pretty  
13 easy going, so maybe it's not that big a deal.

14 The point I wanted to make, and the  
15 gentleman prior to me was very wise in the points  
16 that he made in reference to the purpose of the  
17 Public Service Commission and protecting the  
18 consumer. It's sad that we're in a situation  
19 where competition is not a viable option here.  
20 Because in moving to this area, every -- I heard  
21 that moving to the east coast -- I come from the  
22 west coast of Florida -- moving to the east coast  
23 of Florida, I understand things are a little bit  
24 more expensive over there. Well, really  
25 everything stayed pretty much in line, acceptable,

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1 you know, other than the water.

2           The water over here is so much more  
3 expensive than I what I was accustomed to in the  
4 Plant City, east Hillsborough County region. It  
5 just -- it totally floored me. And when I get  
6 the notice that they're getting an increase, or  
7 trying to get an increase in the rates, I said,  
8 "Wow! Who do they think they are?" You know,  
9 and being a consumer, I can't change from Sears  
10 to Wal-Mart, you know, I can't start shopping at  
11 Sam's on this situation, because I don't have that  
12 option.

13           And so we need -- we need some help here.  
14 There's no way that I would ever -- any rate  
15 increase is not acceptable here, in my opinion.  
16 And that's simply because they're already high as  
17 a cat's back.

18           So that's basically all I had to say.

19           COMMISSIONER CLARK: Thank you.

20           MR. SHREVE: Thank you.

21           Mr. Coppertini (phonetic)?

22           MR. CONVERTINI: Good evening. I live in  
23 Fox Run. I've been there for approximately eight-  
24 and-a-half years.

25           I received this notice here to appear

1 here tonight on or about the 16th or 17th. I did  
2 not receive any increase of how much the increase  
3 was going to be. Mr. Shreve, two, 300 percent,  
4 somewhere's in that vicinity?

5 MR. SHREVE: Which system are you talking  
6 about?

7 Mr. CONVERTINI: Fox Run.

8 MR. SHREVE: You --

9 COMMISSIONER CLARK: While you're looking  
10 that up, would you spell your last name for us?

11 MR. CONVERTINI: C-o-n-v-e-r-t-i-n-i.

12 COMMISSIONER CLARK: V-e-r?

13 Mr. CONVERTINI: V as in Victor.

14 COMMISSIONER CLARK: V-e-r --

15 Mr. CONVERTINI: T-i-n-i.

16 MR. SHREVE: As I understand it, using  
17 the rates that are actually approved by the Public  
18 Service Commission at this point, which would be  
19 before the interim and the increase that would be  
20 requested by the company, what they'd like to go  
21 to, that would take your rates up for the water  
22 approximately 246 percent, and for the sewer  
23 approximately 361 percent.

24 Mr. CONVERTINI: That poor lady that was  
25 in here that a hundred and 30 some odd dollar

1 water bill, I can't compete with that. Mine  
2 usually runs between 35 and 40. But at 250  
3 percent increase that brings it well above what I  
4 pay for electric. I don't think I should have to  
5 pay the same for water, which is a natural  
6 resource, that I do for electric.

7           When I first moved into Fox Run we did  
8 not have Southern States Utilities as our water  
9 company. It was run by another company. My  
10 water there at that time was terrible,  
11 undrinkable. I went out and purchased a very  
12 expensive water softener unit. A year or so  
13 later Southern States Utilities took over this  
14 complex. And for them to increase my water by  
15 240-some percent, my water softener can't come  
16 close to that. I could get as good a drinking  
17 water from my well, which I use just for  
18 irrigation. I've done that on several occasions  
19 when we've been notified within the last 12 months  
20 on several occasions that our water must be  
21 interrupted for 24 hours and we will have to boil  
22 our water from 48 to 72 hours after that.

23           I had -- about three weeks ago I received  
24 in my door a notice from a water softening  
25 company that they would like to test my water. I

1 don't have a problem with that. I put the water  
2 in their little container, hung it out by my  
3 door. I came back the next night, it was gone.  
4 They left a notice there that they would contact  
5 me within five to seven days. They did. They  
6 wanted to get with me because they wanted to  
7 discuss my water. "Gosh, is it that bad?"

8 "Well, we can't discuss it over the  
9 phone. We need to speak to you."

10 They never did get back to me.

11 I don't have a whole lot more to say.

12 But in closing, if and when and increase is  
13 granted, maybe Southern States Utilities could do  
14 something to clean up their area in which all  
15 their equipment is located. They have a fence  
16 there that looks like a shambles. And I don't  
17 know for the rest of the people in Fox Run, but  
18 if and when I do decide to sell, people come in,  
19 one of their first questions is, "How is your  
20 water?"

21 Thank you.

22 COMMISSIONER CLARK: Thank you.

23 MR. SHREVE: Thank you, sir.

24 I'm sure I could pronounce this if I  
25 could make out the writing. I believe it's --

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1 maybe it's T-r-i-c-i?

2 MR. TUCCI: Tucci.

3 MR. SHREVE: Tucci?

4 MR. TUCCI: T-u-c.

5 MR. SHREVE: Okay. T-u-c.

6 MR. TUCCI: Well, most of what I wanted  
7 to say has been covered by everybody else.

8 I do object strongly to the fact that  
9 we're included with a hundred and 26 other  
10 utilities for the purpose of setting rates. In  
11 the case of Lelani Heights, similar to the other  
12 people, our developer was in distress, and as far  
13 as I know he gave the system to, I don't know if  
14 it was Southern States but whoever took over the  
15 first time from the developer. So which means  
16 that the investment is nil and 12.85 percent is  
17 nil is nil.

18 So, I mean, and then you're setting up  
19 these rates, as you say here that's another thing,  
20 what rates are you talking about when you say 60  
21 percent or 40 percent? I got the white thing  
22 from the company and it doesn't agree with the  
23 yellow. It's very difficult to try and figure  
24 out what is really happening.

25 Current for Lelani Heights is 477 and

1 over here it says 677 what they sent us. That's  
2 the BFC. And it's all the way across. Because  
3 if you start talking about the current of 477,  
4 and they're asking for 975, it's no longer a 62  
5 percent increase, it's over a hundred, which is  
6 even more than what you said, sir.

7 It's -- I find it very --

8 COMMISSIONER CLARK: Confusing.

9 MR. TUCCI: Confusing. But I also think  
10 it's very unfair that we people down here are  
11 lumped together with a hundred and 25 other people  
12 up there -- and to set our rates. I think it's  
13 totally dishonest.

14 COMMISSIONER CLARK: Thank you.

15 MR. SHREVE: I think you're right. All  
16 of the calculations that I gave were using the  
17 total revenue difference, and that is the  
18 percentage I came out with. But with the last  
19 speaker, I was doing a quick calculation here when  
20 I saw his rates were going from 445 and 114 per  
21 thousand to 2725 and 247. That's a lot more than  
22 even the percentage showed up, so that didn't  
23 jive. The percentages I have were to gross  
24 revenue increases. When you file them back to  
25 the increases of the specific rates, it comes out

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1 different then, is what you're saying.

2 MR. TUCCI: Yeah.

3 MR. SHREVE: And I agree with you.

4 MR. TUCCI: When you send out stuff  
5 that's misleading like this, you know, that's bad.

6 COMMISSIONER CLARK: Thank you.

7 MR. SHREVE: Thank you, sir.

8 Mr. Searle?

9 Mr. SEARLE: I'm Mike Searle. I live in  
10 The Settlement, which is on the Fox Run system.

11 I have to agree with the man that was up  
12 here in the blue shift just before the last  
13 gentleman with the rate increase. I think it's  
14 terrible. And Fox Run is getting hit worse than  
15 the people in Lelani Heights, which there seems to  
16 be a lot of people here from Lelani Heights, and  
17 they are well represented. And I don't think we  
18 are as represented as well as they are. And I  
19 don't think I see anybody here from my development  
20 in The Settlement. I could be wrong. I'm not  
21 sure of everybody that lives there.

22 But we're taking the biggest hit on the  
23 waste water and the water. Okay? I'd just like  
24 to start out real briefly by saying I lived in  
25 Port St. Lucie. I was paying about \$60 a month

1 for a household of two. I moved down to The  
2 Settlement, and I was happy. I was really happy.  
3 The water quality was fairly good. I really  
4 can't complain about that. My water bill went  
5 from 60 to \$15 a month. Well, we had the last  
6 increase and it went to 26. Now, this is for a  
7 family of two. I have to sympathize with the  
8 lady that has a family of five.

9           And now with the rate increase that  
10 you're proposing, it'll go to 50 as the base  
11 charge, then you add on this gallonage charge,  
12 which I'm not real sure of what that means. I  
13 think it means per thousand, okay. If you add on  
14 a per thousand just for my family of two, I'm  
15 going to go from \$26 a month to \$62 a month.  
16 Okay? Simple. That's a double, you know, it's  
17 going to double for me, you know. Which is  
18 nothing compared to some of the problems the other  
19 people have, which I sympathize with them.

20           When I received the first white notice  
21 back in August -- it's been quite awhile, it's  
22 been at least two months -- I did sit down and  
23 read the whole thing, and it was pretty -- it was  
24 pretty difficult to understand the notice, but I  
25 could decipher that it was going to at least

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1 double. Okay?

2 And then when I came in here tonight and  
3 I got the yellow sheet, I said, "Holy, crap!  
4 It's not going to double, it's going up about  
5 five times." And if you add your two hundred and  
6 some percent and your three hundred and some  
7 percent, that's over 500 percent in your  
8 percentages there. Okay?

9 As about the water quality, like I said,  
10 my water is not that bad. It does have a little  
11 bit of an odor.

12 COMMISSIONER CLARK: Chlorine odor?

13 MR. SEARLE: Yes, chlorine or bromine.  
14 I'm not sure exactly which one it is. It could  
15 be bromine. I'm not sure.

16 The water does look clear in the glass,  
17 but it does leave a hard-to-remove white residue  
18 on the showers and the dishes coming out of the  
19 dishwasher. And I've tried several dishwasher  
20 soaps, and I haven't had much luck with getting  
21 the glasses clear, you know, clean glasses.

22 That's about all I have to say.

23 COMMISSIONER CLARK: Thank you. Before  
24 you step down, would you spell your last name?

25 MR. SEARLE: It's Searle, S-e-a-r-l-e.

1 MR. SHREVE: Mr. Searle?

2 MR. SEARLE: Yes, sir.

3 MR. SHREVE: You mentioned that there  
4 weren't too many people here from Fox Run.

5 MR. SEARLE: No, no, not Fox Run, but The  
6 Settlement. I live in The Settlement, which is  
7 on the Fox Run system.

8 MR. SHREVE: Okay. On the Fox Run  
9 system.

10 MR. SEARLE: Right.

11 MR. SHREVE: Did you receive the same  
12 notice the rest of Fox Run received, I would  
13 assume?

14 MR. SEARLE: I'm assuming so.

15 MR. SHREVE: The white page that you got  
16 there. The yellow pages, of course, were put out  
17 by the --

18 MR. SEARLE: Right.

19 MR. SHREVE: -- Public Service Commission  
20 here tonight. The notice that you received, you  
21 said you went over and felt that was a high  
22 increase.

23 MR. SEARLE: Right.

24 MR. SHREVE: But then you find out that  
25 in reality the increase is much more than you had

1 been notified.

2 Do you feel that the interest of the  
3 people would be higher and that there would be  
4 more activity if they realized just how high the  
5 rates -- the bigger -- that the bigger percentage  
6 increase was really going to be there?

7 MR. SEARLE: I think so.

8 MR. SHREVE: And don't you -- do you feel  
9 that the people are entitled to have accurate  
10 information in the notices that are required to be  
11 sent out?

12 MR. SEARLE: Yes, sir.

13 MR. SHREVE: Thank you.

14 MR. SEARLE: I think the notices should  
15 be easier to read for the laymen. But, you know,  
16 I got this same notice that the gentleman from  
17 Fox Run had. It was dated September 14th. But I  
18 did receive the first notice which had to be back  
19 in August sometime.

20 COMMISSIONER CLARK: Thank you very much.

21 MR. SHREVE: Mr. Sparks?

22 MR. SPARKS: My name's Bob Sparks. I  
23 live in Fox Run. That's S-p-a-r-k-s.

24 I hadn't really planned to come down here  
25 and talk tonight. But as I listened to the first

1 two people after I got here and I thought, well,  
2 I think I'll say my piece, too.

3 I moved into Fox Run in 1980, and the  
4 water quality was excellent. But there were only  
5 a half-dozen homes. Now I don't know what caused  
6 it, but the quality went down fast. And as  
7 others have told you by '85 it was undrinkable.

8 The water quality has improved. But like  
9 the last gentleman told you, I think we have -- I  
10 know we have a real high mineral content, real  
11 high. I lived in Stuart for six months and the  
12 water's just obviously softer, obvious.

13 In September of 1991, it was a Friday  
14 evening naturally, every -- all the toilets and  
15 everything backed up in the house. And I didn't  
16 know where the blockage was, so I called Roto-  
17 Rooter and the poor guy came out and he did every  
18 line in the house and nothing broke free. So, he  
19 got his longest rooter out and started going down  
20 the outside line and we got all the way down to  
21 the manhole and he broke the clog free down  
22 there.

23 I contacted the utility and they said,  
24 "Send us the bill, and if we can verify that the  
25 blockage was, in fact, in our lines, then we will

1 reimburse you." Which they did. They agreed  
2 that the blockage was their problem, and they  
3 said, "No problem. You'll receive a check in a  
4 couple of weeks."

5           So I forgot about it. And I don't know,  
6 it was January, I think. I didn't get that check  
7 yet. So I started calling and nobody knew  
8 anything about it. And after numerous calls I  
9 finally got a hold of a young lady who personally  
10 took it upon herself to follow up, and she got me  
11 a check. I think it was in January or February.

12           April, the same thing happened again.  
13 The original problem was never fixed. So this  
14 time I called Southern States directly. And again  
15 it was on a weekend, these things always happen  
16 on weekends. And to their credit, they came  
17 right out and they did -- they brought Roto-Rooter  
18 with them and they cleared the line, and they did  
19 make an improvement about a month later. So I  
20 don't imagine that will be happening again. I  
21 think that's to their credit.

22           What got me kind of fired up, I got the  
23 original white notice of increase. And I turn  
24 figures over pretty quick and I figured out that  
25 instead of 30 to \$35 bill, I was going to be

1 looking at over a hundred dollars a month.  
2 That's not -- that's not what -- I can't live  
3 with that.

4 And I guess when you come right down to  
5 it, that's what I wanted to say. That's too much  
6 of an increase. My first thought was, this is  
7 obscene, and that's it.

8 COMMISSIONER CLARK: Thank you very much.

9 MR. SHREVE: Thank you, sir.

10 Susan Parisi.

11 MS. PARISI: Hi. My name is Susan  
12 Persia, P-a-r-i-s-i. And I'm a new owner in  
13 Lelani Heights. I just built my home there. I'm  
14 a little nervous. I don't usually talk in front  
15 of people like this, so --

16 I've noticed with my water I was paying  
17 for a family of six a hundred and 10 dollars a  
18 month for water. Okay. Which I've heard now is  
19 not that high, but to me it's astronomical.  
20 Okay. I can't afford these kind of bills. I  
21 thought it was a little ridiculous, so I went and  
22 put a well in, which cost me a lot of money to  
23 put a well in to water my garden. Okay.

24 My bill has come down to \$65 a month, and  
25 now they're telling me I got to get an increase

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1 again. I'll be back where I started and still be  
2 paying for a well. I mean, it's ridiculous.

3 I moved in in March, and they had sent me  
4 a bill for -- before I moved in for \$47, which I  
5 did not pay because I did not receive this bill.  
6 And they, in turn, were going to shut me off.  
7 Okay. Now I wasn't even living there and they're  
8 going to shut off my water. I said this is  
9 insane. So they did correct that.

10 Also I just want to make one other note.  
11 My toilet bowls in my bathroom have been eaten  
12 away, and I'm only there seven months.

13 That's it.

14 COMMISSIONER CLARK: The finish on them  
15 is pitting the toilet?

16 MS. PARISI: Yeah, uh-huh.

17 COMMISSIONER CLARK: Is it just -- is the  
18 color of the water clear? Do you notice a  
19 chlorine smell?

20 MS. PARISI: No. No. I just notice that  
21 my toilet bowls are eaten away, you know. I go  
22 to scrub the toilet bowls, and there's big dents  
23 in the bottom. And I know they're brand new. I  
24 mean, my brother just built the house for me and  
25 they were all brand new when we put them in, so,

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1 okay.

2 COMMISSIONER CLARK: If you would give  
3 your name to my aide, I would like to have one of  
4 our engineers to contact you about that. Okay?

5 MS. PARISI: Okay.

6 COMMISSIONER CLARK: Thank you.

7 MR. SHREVE: Thank you.

8 Mr. Neubecker?

9 MR. NEUBECKER: My name is David  
10 Neubecker, N-e-u-b-e-c-k-e-r. I've been a  
11 resident of Fox Run for eight years, a little  
12 over.

13 As everybody said, the water was lousy  
14 when we moved in there eight years ago. The  
15 individual -- the company that owned the water  
16 utility at that time abandoned it. And Southern  
17 States took it over for nothing. So they don't  
18 have any original money invested. I'm sure  
19 they've invested money in the system since then,  
20 because the water sys -- the water quality has  
21 improved. It went from rust red to clear, which  
22 is a big improvement. My wife is a nurse, and  
23 her uniforms used to come out blotched. Now  
24 they're clean.

25 In the time that we've been there, and

1 the time that Southern States has had it, I  
2 understand they put in a back-up system, including  
3 a new well or secondary well. And some of us  
4 wonder about that because we never had any problem  
5 with the original well servicing the development.  
6 That's -- that was never a problem. It gave out  
7 lousy water, but it never, never failed to serve  
8 the development. So they put in these things,  
9 and we wonder why.

10 We've had some talk about morals here.  
11 I'm a school teacher. I teach in Palm Beach  
12 County. I haven't had a raise in pay in three  
13 years. They're talking about a 12.8 percent  
14 increase at a time when, you know, when most of  
15 us are trying to hold ends together just to  
16 compete with the cost of living. That doesn't  
17 seem quite right.

18 As a school teacher, I have to be  
19 responsible to my students, responsive to their  
20 needs. Southern States Utilities, I don't  
21 believe, has been responsive to the needs of their  
22 customers, here in South Florida at least.

23 Shortly after -- shortly after they took  
24 over I came home at 5:00 o'clock one evening and  
25 my daughter met me at the door and she said,

1 "Dad, they turned the water off." And I said,  
2 "Why?" She said, "Well, there's just a sign on  
3 the door. It said, 'Your water has been turned  
4 off.'" That's all it said. It was one of  
5 those -- one of those doorknob things. "Your  
6 water's been turned off."

7 So I called them and the girl said, "Did  
8 you pay your bill?" I said, "Yeah. I got the  
9 canceled check right here. No problem with that."

10 "Well, we don't know exactly why. We'll  
11 find out. We'll call you back."

12 That was at 5:15, 5:20. I called again  
13 at 5:40. She said, "We're still checking. We'll  
14 call you back."

15 I called again at 6:00. "We're still  
16 checking. We'll call you back."

17 6:15 I called, there was no answer. 7:30  
18 I called and there was no answer. I finally went  
19 out to the meter and the meter was running with  
20 water. I mean, the water was flowing out of the  
21 meter. So I figured they shut it off because  
22 there's a leak. So I reached down inside and I  
23 turned the water back on. Immediately the leak  
24 slowed down. So the leak was on their side of  
25 the meter, but they shut my water off. Turned

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1 the water back on and the leak slowed down.

2 In the meantime I have to kneel in a fire  
3 ant hill. By this time I was hot.

4 I called up again. And I finally -- I  
5 finally got the bill out and I called their  
6 headquarters up at -- I can't even pronounce it  
7 -- Apopka?

8 COMMISSIONER CLARK: Apopka.

9 MR. NEUBECKER: Does that sound --  
10 Apopka. And I told them, you know, if I didn't  
11 get some satisfaction, they were going to hear  
12 from a lawyer. Well, they came out the next  
13 morning and they fixed the leak. And I never got  
14 an apology, anything, for the problem that they  
15 caused me. That's not being responsive to the  
16 needs of the customer.

17 I looked at the rate increase in this  
18 yellow sheet that you folks provided, and it seems  
19 to me that that -- that that basic facility  
20 charge represents a 600 percent increase, not 200  
21 percent.

22 MR. SHREVE: It's just a base facility  
23 charge.

24 MR. NEUBECKER: Right. I wish my salary  
25 would go up -- my base salary would go up 600

1 percent. Why, I'd be rolling in the bucks and we  
2 could pay their increase then, you know. We  
3 wouldn't have any problem with this.

4 We, too, have the chlorine smell. My  
5 wife is a nurse, like I said. She gave me a  
6 little bit of -- a little bit of information. At  
7 three percent sodium hypochlorite solution, which  
8 is chlorine bleach, is good enough to kill the  
9 AIDS virus. It's also good enough to bleach your  
10 hair and your clothes without having adding any  
11 bleach to your washing water.

12 I think we're living in darn great  
13 development. We'll never have a case of AIDS in  
14 that development at this rate, because I'm sure  
15 we're hanging in there right around that kind of  
16 a percentage. At least it smells like it.

17 Thank you for your time.

18 COMMISSIONER CLARK: Let me ask you a  
19 question.

20 MR. NEUBECKER: Yeah.

21 COMMISSIONER CLARK: Did they give you an  
22 explanation of why they cut the water off?

23 MR. NEUBECKER: No. They never gave me  
24 an explanation.

25 COMMISSIONER CLARK: When did this occur?

1           MR. NEUBECKER: This happened shortly  
2 after they took over the system in summer of '87.

3           COMMISSIONER CLARK: But lately you have  
4 not had problems?

5           MR. NEUBECKER: Well, lately, no. They  
6 -- now, at least they give us warning when they  
7 cut the water off, and usually it hasn't been --  
8 it hasn't -- they haven't cut it off too much.

9           COMMISSIONER CLARK: They're headed in  
10 the right direction.

11           MR. NEUBECKER: Yeah. We buy bottled  
12 water, too, to drink. We ran out the other  
13 night. We're the kind that they go and buy our  
14 own instead of having it delivered to the house.  
15 So it was dinnertime, so I threw a cup of water  
16 in a glass of water from the tap and sat down and  
17 ate dinner. I didn't drink very much of it. It  
18 doesn't taste really good. You can flavor it  
19 with toothpaste and get by, but it doesn't taste  
20 good to drink with food.

21           I left the thing set there. We went out  
22 to the store. A couple of hours later I came  
23 back and the glass was setting there and there  
24 was all this white gunk at the bottom of it. And  
25 I thought that's precipitates.

1 I have a precipitator at home. I really  
2 should have gotten it out. At one time I tried  
3 it. A precipitator is a -- is an electrical  
4 device that brings solids into -- into view in  
5 seemingly clear water.

6 At one time I tried it shortly after  
7 Southern States Utilities took over, and my pool  
8 water had less precipitates in it than my tap  
9 water did. And my dogs swim in my pool water.  
10 Okay?

11 COMMISSIONER CLARK: Thank you very much.

12 MR. NEUBECKER: Thank you.

13 MR. SHREVE: Thank you, sir.

14 Mr. Wheeler?

15 MR. WHEELER: Hello. My name is Jack  
16 Wheeler. I live in Fisherman's Haven development.  
17 I've lived there approximately eight years now.

18 The water has gotten better. The train  
19 goes by, we have sand in our water. The last  
20 meeting that we had, I brought in a glass of  
21 water that I got from my tap approximately 45  
22 minutes before the meeting. It was an eight-ounce  
23 glass of water. It had two ounces of sand in it.  
24 I gave it to him. I told him if he'll drink  
25 this, he can double my rate. I don't care. He

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1 refused to drink it.

2 I've seen leaks in the meters on their  
3 side go for three to five days. My neighbor  
4 next-door had a leak in front of it that was  
5 gushing out into the street from his meter. They  
6 called him on a Friday night. No one showed up  
7 until Monday at 2:00 o'clock in the afternoon.

8 I think this rate increase is totally  
9 ridiculous. I don't see how you have the  
10 audacity even to try to do this. The only thing  
11 they've really done is they've sodded our facility  
12 there. It looks great. Of course, I know we're  
13 paying for the water that they're watering, too.  
14 I wish I could afford to water my grass like they  
15 do. Rain or shine, their sprinkler system is on.

16 Now, I don't have a house like Lelani  
17 Heights. I live in a two-bedroom duplex, which I  
18 added on to. I have a family of four. My water  
19 bill is 70 to \$90 a month.

20 Now, I paid a plumber to come out and  
21 put washers in everywhere to fix any kind of  
22 little leak. He checked everything. I had a new  
23 tub-shower unit put in. I wanted to make sure I  
24 wasn't getting any leaks behind the wall. My  
25 bill the next month was \$116 after I had this

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1 work done.

2 I called them up. I said, "There's no  
3 way. You have to have a leak here." I said, "I  
4 had a small leak in the front. I had it fixed.  
5 I know it. I had everything fixed."

6 "Sorry, Mr. Wheeler, our meter's don't  
7 lie. We can have somebody come out and check."

8 Well, yeah, they came out and checked  
9 with a five-gallon bucket, I mean, really high-  
10 tech, you know.

11 So, this -- the past month I received my  
12 lowest bill ever. It was \$60. We couldn't  
13 believe it. I mean, that \$60 was great.

14 The quality of the water -- I've lived  
15 there for eight years. I rented a machine, a  
16 water bottle machine for two years, paying \$9 a  
17 month for that. I finally said this is  
18 ridiculous. So I bought one for \$285. I haven't  
19 drank the water there. I don't even let my dog  
20 drink the water.

21 We had a washing machine in 1990 that --  
22 that it was three years old. It quit working one  
23 day. It wouldn't take any water. I couldn't  
24 figure out why. So we called the service man  
25 out. And he said, "Well, that's because your

1 lines are blocked up with sand."

2 It cost me \$80 to have the sand blown out  
3 of the lines coming into my house. Now, they did  
4 reimburse me for this, nine months later. So I  
5 was happy with that.

6 But to come up here and tell me that  
7 they're going to increase this water now with the  
8 quality, if you -- I live in Fisherman's Haven,  
9 which is in the back side of Lelani Heights, a  
10 railroad track divides us. If the wind's blowing  
11 from the south, then you smell rotten eggs from  
12 our system. If it's blowing from the west, then  
13 you smell the chlorine from their system. And I  
14 live a long way from their system.

15 I can't see the amount of money that  
16 they're saying they're going to have to have. I  
17 have a small business, plus I work for another  
18 business, just to try to make ends meet. I wish  
19 I could make that kind of money.

20 COMMISSIONER CLARK: Mr. Wheeler, let me  
21 ask you, do you currently -- you said when a  
22 train goes by there; that still happens?

23 MR. NEUBECKER: Yes, it does. It hasn't  
24 stopped for approximately six months. And now  
25 slowly it has been working back in, working back

1 in.

2           The toilet bowls is just like the other  
3 lady said. It's embarrassing to have somebody  
4 come to your house, go in to use the bathroom,  
5 and it looks like, my God, these people haven't  
6 cleaned their toilet bowl in two years.

7           COMMISSIONER CLARK: Do you know if the  
8 neighbors have the same sort of problem?

9           MR. NEUBECKER: I would say the normal  
10 bill is about \$70, from what I speak from my  
11 neighbors. But then again, I have a neighbor  
12 across the street that says his is \$30. He has a  
13 sprinkler system.

14           COMMISSIONER CLARK: Do they have sand --  
15 problems with sand?

16           MR. NEUBECKER: Everyone has sand  
17 problems. And the reason you don't have a lot of  
18 people here from Fisherman's Haven is because it's  
19 mostly a renter's development in there, you know.  
20 They feel they don't have a voice in here.

21           We're glad you're here listening to us.

22           COMMISSIONER CLARK: Mr. Wheeler, I would  
23 like you to give you name to my aide, because I  
24 would like to have one of our engineers follow up  
25 on that. And I would presume the company would

1 follow up on it, too, the problem with the sand.

2 MR. NEUBECKER: All right.

3 COMMISSIONER CLARK: Also, if you still  
4 feel your meter is reading inaccurately, I'd like  
5 to --

6 MR. NEUBECKER: I don't want to mess with  
7 it now, it's my lowest bill ever, geez.

8 Thank you.

9 COMMISSIONER CLARK: Well, you can call  
10 us next month. You know, we have a 1-800 number,  
11 too.

12 MR. NEUBECKER: If it goes up, I'll call  
13 you.

14 Thank you.

15 MR. SHREVE: Jeri Fossler?

16 MS. FOSSLER: Hi. My name is Jeri  
17 Fossler. I live in Lelani Heights.

18 COMMISSIONER CLARK: Is that Foster,  
19 could you spell that?

20 MS. FOSSLER: F-o-s-s-l-e-r. I have a  
21 letter here that I would like to submit to the  
22 Committee from Joanne M. Coyle, who is my  
23 neighbor.

24 COMMISSIONER CLARK: Let's mark this  
25 Exhibit 14, which is a letter from Joanne Coyle.

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1 And show that has been admitted into evidence  
2 without objection.

3 (Exhibit Number 14 entered in the  
4 record without objection.)

5 MS. FOSSLER: I'll have to read from my  
6 notes.

7 COMMISSIONER CLARK: That's fine.

8 MS. FOSSLER: I've been involved in this  
9 thing for a very long time, and I wasn't sure I  
10 was going to speak tonight, but I decided that I  
11 would.

12 I've resided in my home for 15 years. My  
13 home is located directly in front of the sewer  
14 plant, one street over. I have a perfect view of  
15 the tanks from the sewer treatment plant and some  
16 of their equipment.

17 At one of the Martin County Commission  
18 meetings several years ago, Frank Wacha and other  
19 commissioners agreed that the Lelani Heights'  
20 sewer and water treatment facilities function on a  
21 borderline basis. Their awareness of the many  
22 years of problems led them to make the comment  
23 that they believe there was a design flaw in  
24 these systems from the construction of these  
25 facilities.

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1           And I'm sure that their comments have  
2 been put in the record.

3           I personally fought a very long battle  
4 with Southern States over their negligent  
5 operation of the Lelani sewer and water plants.  
6 We have severe odor problems. A cloud of  
7 hydrogen sulfide gas engulfed my home for several  
8 years. Southern States refused for a number of  
9 years due to my begging and pleading to do  
10 anything about the system. They sat there and  
11 collected the money every month. They were happy  
12 to get the proceeds from each one of us. And  
13 they just blatantly refused to do anything about  
14 the systems.

15           They did not make any changes to the  
16 sewer system until they felt threatened by the  
17 involvement of the DER and the PSC and the fact  
18 that the Postal Service was disallowed to connect  
19 onto their system.

20           I would like to note that the effluent  
21 from the waste water system is being trucked out  
22 of the plant several times a week. I question  
23 whether or not this way of managing the sewer  
24 system is something the plant will continue after  
25 an increase is granted.

1           Several people here have mentioned Fox  
2 Run. While I was arguing and fighting with  
3 Southern States to get them to improve our service  
4 and get the hydrogen sulfide gas out of my home,  
5 they at that time purchased Fox Run. And I was  
6 extremely upset to think that they would be  
7 allowed to purchase another system when they  
8 couldn't even provide us with adequate -- an  
9 adequate system or service.

10           The condition and quality of our water  
11 fluctuates between chlorination -- too much  
12 chlorination and under-chlorination, as everyone  
13 else has said. Unlike Louise Conklin, my water  
14 this evening on 16th Court was emitting a slight  
15 odor of under-chlorination from my bathroom  
16 faucet.

17           I understand that our systems are  
18 different on different streets, because we live on  
19 different levels in Lelani Heights. The different  
20 streets all wind around and they're elevated.  
21 They're different elevations, so we have lift  
22 stations. And you will find different problems in  
23 different areas.

24           One person in one part of Lelani may have  
25 an extreme amount of chlorination in their water,

1 while someone else in another part of Lelani will  
2 have a rotten egg odor. And some people in --  
3 yes, there is a problem with the -- with the  
4 toilet tanks having a very funny -- I don't know  
5 how to word it -- a scum that is hard to remove.  
6 So these problems have existed for many years.

7           Southern States makes a wonderful attempt  
8 during their interim rate increase period to  
9 beautify the waste water surroundings. They  
10 recently installed wooden stakes surrounding the  
11 plant. I have some resentment over this sudden  
12 beautification process when they still have been  
13 unsuccessful in providing proper vegetation in  
14 front of the sewer tank fence that I was promised  
15 eight to ten years ago.

16           During the last rate increase I went to  
17 them and explained to them that I was ready to  
18 get my vegetation that they had been promising me  
19 for years. So they let me arrange to order it  
20 for me and for me to have it installed.  
21 Everything died. They weren't able to keep up  
22 with it for some reason. I had the same plants  
23 installed in my yard. Mine are doing fine.

24           VOICE: Can't afford the water.

25           MS. FOSSLER: My bill has fluctuated

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1 between \$34 a month and \$90 a month. After the  
2 current interim increase was granted, my utility  
3 bill doubled.

4 I object to the manner in which an  
5 interim increase is granted prior to a hearing.  
6 As we found during the last rate in -- rate case,  
7 it is much more difficult to reverse the process  
8 once an increase has been granted. I believe  
9 this is unfair, an unfair practice. I don't know  
10 who makes the laws or the rules, but I think it's  
11 a hideous rule.

12 COMMISSIONER CLARK: It is just the law,  
13 the interim, the way we do interim.

14 MS. FOSSLER: The way you do --

15 COMMISSIONER CLARK: Yes.

16 MS. FOSSLER: I think it's a ridiculous  
17 law. I don't understand --

18 COMMISSIONER CLARK: My boss, Mr. Shreve  
19 and I are -- we're both employed by the  
20 infrastructure. And I think Mr. Pruitt has  
21 indicated his interest in it. There are arguments  
22 on the other side as to why that is needed and we  
23 leave it to the legislature to decide whether or  
24 not it is a good law, and certainly that requires  
25 input from you.

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1 MS. FOSSLER: Well, they have my input.  
2 It is very hideous, indeed.

3 I would like to see the money we pay each  
4 month support only our system, and not be used  
5 for other Southern States' systems. I'd like to  
6 know where we stand at this point. How much of  
7 our money for our particular system is needed for  
8 whatever they're using it for, and how much is  
9 actually considered profit, or is this all just  
10 being dumped into all of their multi-systems to  
11 give them just a certain bottom line of profit on  
12 their profit-and-loss statement?

13 COMMISSIONER CLARK: We will be looking  
14 at that in the two weeks of hearing in  
15 Tallahassee.

16 MS. FOSSLER: Okay. I would like to know  
17 that all the complaints due tonight including  
18 overflow of manhole covers, insufficient boil-  
19 water notification, over-chlorination of water, et  
20 cetera, are the same types of complaints that have  
21 been viewed for the entire time that I have lived  
22 in Lelani Heights. That has not changed.

23 I believe they did finally improved to  
24 some degree the boil-water notification after I  
25 personally went to their plant -- I suppose it

1 was about a year-and-a-half ago -- and begged them  
2 to notify us, because I noticed when our water  
3 was off we had absolutely no notification. I  
4 have babysat that plant for a good 15 years, and  
5 I'm tired of it. They are doing a little bit  
6 better. You noted that well, maybe they're making  
7 progress.

8           The progress that Southern States is  
9 making depends on whether or not they receive  
10 their rate increases. As with anybody else when  
11 you stand to gain money and put money in your  
12 pocket, you'll try harder to give better service  
13 and a better product.

14           I object to this rate increase based on  
15 the fact that our rates should not rise in  
16 conjunction with rates allocated at the public  
17 plants. Our product does not justify an increase  
18 at this time.

19           I fear that quality of our product and  
20 service will regress after Southern States  
21 receives the profit that they desire through this  
22 increase. The only attempts Southern States has  
23 ever made regarding quality of our product is when  
24 they seek an increase.

25           I would like to have my notes types and

1 submitted to your committee to be included in the  
2 record some time this week.

3 COMMISSIONER CLARK: That will be fine.  
4 Thank you, Miss Fossler.

5 MS. FOSSLER: You're welcome.

6 MR. SHREVE: Thank you.

7 We have one more person come in. Karen  
8 Belowch?

9 COMMISSIONER CLARK: Karen, let me ask  
10 you, have you been sworn in?

11 MS. BELOWCH: No, I have not.

12 COMMISSIONER CLARK: Okay. Would you  
13 raise your right hand. In this matter before the  
14 Public Service Commission, do you swear to tell  
15 the truth, the whole truth, and nothing but the  
16 truth?

17 MS. BELOWCH: Yes, I do.

18 My name's Karen Belowch. That's  
19 B-e-l-o-w-c-h. I live in Fisherman's Haven, and I  
20 am a renter. Sorry.

21 I live in Fisherman's Haven, and I'm a  
22 renter. I've lived there for four years. When I  
23 moved there four years ago, my water bill averaged  
24 between 40 and \$45. It now averages between 85  
25 and 90. And I understand that we're going to be

1 getting that back because of what's been going on  
2 here. But it just seems ridiculous that I had to  
3 double my bill in a matter of a year-and-a-half.

4 The quality of the water goes from one  
5 extreme to the other; it either smells like rotten  
6 eggs, or it smells like chlorine. You go to take  
7 a bath or fill up your tub with water for your  
8 child, and it's green in color when you have a  
9 white tub.

10 When the alarm goes off at the plant -- I  
11 don't know how many people call, but I'm  
12 constantly calling and letting them know that  
13 their alarms are going off. And beside it being  
14 3:00 o'clock in the morning and very loud since I  
15 live not too far from the plant, I don't  
16 understand why it goes off as often as it does.  
17 And I'm talking a minimum of once a month.

18 COMMISSIONER CLARK: That's currently  
19 happening?

20 MS. BELOWCH: Yes, it is.

21 COMMISSIONER CLARK: I would like a  
22 specific explanation for or would like to see the  
23 law on the number of times the alarm goes off  
24 and, Bev, if you would make sure that an engineer  
25 looks into that.

ATLANTIC REPORTING

Stuart, Port St. Lucie, Fort Pierce, Vero Beach, Okeechobee

1 MR. SELF: May I, Commissioner?

2 COMMISSIONER CLARK: Yes.

3 MR. SELF: Do you know the last time it  
4 happened?

5 MS. BELOWCH: For some reason Labor Day  
6 weekend rings a bell.

7 MR. SHREVE: Question. You call into the  
8 company when the alarm goes off?

9 MS. BELOWCH: When I hear it, yes, I do.

10 MR. SHREVE: Does the alarm only go off  
11 at the plant, or not somewhere else than them;  
12 have they ever told you that?

13 MS. BELOWCH: As far as they know, it  
14 does not go off with them.

15 MR. SHREVE: Okay.

16 MS. BELOWCH: They don't have any back-up  
17 system that lets them know.

18 Again, the quality of the water when  
19 you're making iced tea and the water is milky in  
20 color, and then if you let the glass sit there  
21 awhile and you end up with a sediment on the  
22 bottom or sand on the bottom.

23 Fisherman's Haven is kind of sitting in  
24 different levels. There are three streets, and it  
25 progressively is hilly. And I live midway. So

1 the people down below me are even worse shape as  
2 far as how much sand, for example, Jack Wheeler  
3 lives below me, so he gets more sand than I do.

4 And the sprinkler systems, if you want to  
5 sprinkle your grass, I don't understand why you  
6 have to also pay for waste water sprinkling your  
7 system. My neighbor, who is the landlord, his  
8 water bill -- and there's just two of them and  
9 they're both retired -- is a minimum of \$120, and  
10 that's because he waters his grass every morning  
11 at 6:00 o'clock. Now maybe he needs to request  
12 to have an extra meter so that he doesn't pay for  
13 waste water, but I just don't understand how can  
14 you -- how you could be charged for waste water  
15 when there is none.

16 I guess that's about it. Thank you.

17 COMMISSIONER CLARK: Thank you.

18 MR. SHREVE: Yes, sir, if you'd like to  
19 come forward.

20 COMMISSIONER CLARK: Mr. Tucci, let me  
21 just wait a minute before I let you speak.

22 Is there anyone else who would like to  
23 speak at this time?

24 I see no further hands. You can have  
25 another turn and we'll adjourn this.

ATLANTIC REPORTING

Stuart, Port St. Lucie, Fort Pierce, Vero Beach, Okeechobee

1 MR. TUCCI: Well, I gotten this --  
2 talking about the fact there's no investment in  
3 Lelani Heights, yet we pay a basic charge of \$20  
4 a month -- that was currently -- \$20 a month  
5 before you even turn on the tap.

6 Now I can see a basic charge like the  
7 utilities, public electric utilities. It's a  
8 charge per month, flat rate for billing. I'll  
9 give you \$5 a month to send me a bill. Well,  
10 what in the -- I mean, what the -- what's the  
11 other \$13 for before I even turn on the tap?  
12 What is that used for? Can somebody tell me? I  
13 mean, what's the rationale behind that charge?

14 COMMISSIONER CLARK: I don't have that  
15 information. I will be getting that in the  
16 proceeding as to what makes up the rest of the  
17 charge.

18 Mr. Self, do you feel equipped to answer  
19 that at this point, what other -- what are the  
20 components of the basic facility charge?

21 MR. SELF: Madam Chairman, components of  
22 the billing the general customer service, people  
23 being available, types of -- there's the  
24 investment.

25 MR. TUCCI: We agreed, there's no

1 investment here. I mean, there is no investment.

2 MR. SELF: I'm just speaking in general  
3 terms.

4 MR. TUCCI: Oh, okay. All right. Yeah.

5 MR. SELF: I can't answer specifically  
6 with respect to your system.

7 MR. TUCCI: Yeah. I guess if there was  
8 an investment, I can see that you're paying for  
9 it to be fixed, you know, fixed investment. You  
10 can see that's -- you divide that by the number  
11 of lots and that's a fixed charge. I'll buy  
12 that.

13 But in a case where there's no fixed  
14 investment, all I can see is a billing charge,  
15 and I'll go along with five bucks; but \$20?

16 Thank you.

17 COMMISSIONER CLARK: Thank you.

18 MR. SHREVE: Thank you.

19 COMMISSIONER CLARK: One more comment.

20 Yeah. Okay. Thank you.

21 MS. FOSSLER: There were two other things  
22 that I failed to mention. I do not like the fact  
23 that you're lumping the rate case together, so  
24 many of them.

25 COMMISSIONER CLARK: I certainly got that

1 from your previous testimony.

2 MS. FOSSLER: Okay. And, well, the other  
3 lady was from Fisherman's Haven, but we also  
4 object in Lelani Heights that when we water our  
5 grass it has been billed as sewer.

6 COMMISSIONER CLARK: All right.

7 MS. FOSSLER: I just wanted to make sure  
8 you have that comment from Lelani Heights as well.

9 COMMISSIONER CLARK: All right. I do  
10 now.

11 MS. FOSSLER: Thank you.

12 COMMISSIONER CLARK: I want to thank all  
13 of you for coming out to speak tonight, and it's  
14 been an important part of our process and your  
15 information about the service and the rates is  
16 appreciated. And I know it's not easy to come  
17 out on a week night to provide that -- the  
18 information, and I do want to say that we  
19 appreciate it.

20 Would you like to speak again,  
21 Mr. Sparks? You're the last person.

22 MR. SPARKS: Do I get the last word?

23 COMMISSIONER CLARK: That's right.

24 MR. SPARKS: Okay.

25 COMMISSIONER CLARK: That's okay, anyway.

1           MR. SPARKS: Yeah. I forgot to mention  
2 that a couple of years ago I dabbled in some  
3 water filters, so at that time I put a water  
4 filter on my kitchen sink and, of course, that  
5 made the water -- it takes out chlorine and any  
6 other organic-type chemicals that might be in the  
7 water. But it leaves the salts or the minerals  
8 in there. And I started doing my own tests on my  
9 water. And I tested a few other houses in the  
10 development.

11           One day you would have a lot of chlorine  
12 in the water. Another day there wouldn't be any  
13 chlorine in the water. And the -- I've said that  
14 the water was hard. The reason I know this is  
15 because -- this has never changed -- when you  
16 make ice cubes you have a crystallization, a  
17 sediment that's left over. And it's not there,  
18 it's not in the water, but it's created by the  
19 ice cubes. I think that's what it is.

20           I know that this white ring, the only way  
21 to get it off is with a knife to take it off. A  
22 plumber told me that.

23           But that's about it.

24           COMMISSIONER CLARK: Thank you.

25           Thank you all for coming. This hearing

1 is adjourned.

2 (Adjourned at 8:35 o'clock p.m.)

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1 STATE OF FLORIDA )  
2 ) SS:  
3 COUNTY OF MARTIN )

4 CERTIFICATE

5 I, LAURA LEE LASSISE, a Notary Public  
6 of the State of Florida at Large, do hereby  
7 certify that a hearing was held before the Florida  
8 Public Service Commission, held at the Martin  
9 County Administrative Center, Stuart, Florida,  
10 beginning at the hour of 6:00 o'clock p.m., the  
11 30th day of September, 1992; that I was authorized  
12 to and did report in shorthand the proceedings in  
13 that hearing and that the foregoing pages,  
14 numbered 2 through 122, comprise a true and  
15 correct transcription of those proceedings.

16 IN WITNESS WHEREOF, I have affixed my  
17 hand and seal at Stuart, Martin County, Florida,  
18 this 13<sup>th</sup> day of October, 1992.

19  
20  
21 *Laura Lee Lassise*  
22 LAURA LEE LASSISE  
23 My Commission Expires:  
24 11-8-94  
25