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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of PALM COAST )  
UTILITY CORPORATION for Increased )  
Rates in Flagler County, Florida )  
\_\_\_\_\_ /

Docket No. 951056-WS  
Filed: June 14, 1996

PETITION OF FLAGLER COUNTY FOR LEAVE TO INTERVENE

Flagler County, a political subdivision of the State of Florida hereby petitions for intervention and, as grounds thereof, states as follows:

1. Flagler County is a customer of Palm Coast Utility Corporation (hereafter "PCUC").
2. PCUC is asking for residential rate increases ranging to 32%.
3. These are significant increases for a small county, population 38,000, where many of the households in the certificated area are retirees on fixed incomes or working families with very low to moderate incomes.
4. Additionally, the size of the increases can have a negative effect on economic growth within the County.
5. PCUC is part of the ITT Corporate family. A number of the

ACK operating expense items and assets within the rate base of PCUC are  
 AFA intercompany transfer related, and not the result of marketplace third  
 APP party transactions. These aspects require scrutiny to assure proper  
 CAF calculation of the factors yielding appropriate rates.

CMH \_\_\_\_\_  
 CTR \_\_\_\_\_ 6. The ITT corporate family also has negotiated a significant  
 EAG sale of their assets within Flagler County to the Minnesota Power &  
 LEG Edmunds Light corporate family. These transactions also merit attention to  
 IN 3

PC \_\_\_\_\_  
 CH \_\_\_\_\_  
 SEC 1  
 WAS \_\_\_\_\_  
 TLU max to DM

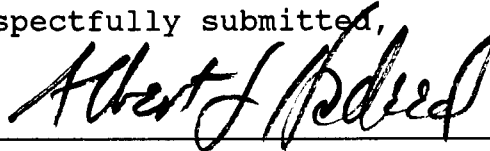
assure that sale of utility and non-utility assets do not improperly skew appropriate calculation of rates.

7. Because of the impact of these rates on Flagler County's citizens and businesses served by PCUC, Flagler County wishes to intervene. The County's substantial interests as a customer and in its parens patriae role will be affected by the Commission's decision.

8. Flagler County will take the case as it now stands.

WHEREFORE, Petitioner Flagler County requests the Commission issue an order granting the County intervention as a full party in this docket.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I certify that a correct copy of the foregoing has been furnished by U. S. Mail to the parties listed below on this 14th day of June, 1996, except for hand delivery to Mr. Scott Edmonds.

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