

Commissioners:  
SUSAN F. CLARK, CHAIRMAN  
J. TERRY DEASON  
JULIA L. JOHNSON  
DIANE K. KIESLING  
JOE GARCIA

State of Florida



Blanca S. Bayó, Director  
Division of Records and Reporting  
(904) 413-6770

Public Service Commission

ORIGINAL  
FILE COPY

DATE: August 30, 1996  
TO: Parties of Record  
FROM: Blanca S. Bayó, Director *BSB*  
Division of Records and Reporting  
RE: Docket No. 960806-WS - Petition of Board of Commissioners of Collier County for declaratory statement regarding Florida Public Service Commission's entitlement to regulatory assessment fees collected by Southern States Utilities, Inc. in Collier County after February 27, 1996.

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This is to inform you that Chairman Clark has reported the following communications in the above referenced docket.

- Letter from Fay R. Biles, Ph.D., dated July 2, 1996.

Dr. Biles' letter and Chairman Clark's response, copies of which are attached, are being made a part of the record in these proceedings. Pursuant to Section 350.042, F.S., any party who desires to respond to an ex parte communication may do so. The response must be received by the Commission within 10 days after receiving notice that the ex parte communication has been placed on the record.

BSB/kf

Attachments

cc: Rob Vandiver/w/letter

Please forward to SUSAN CLARK

WFL P.01  
To John  
To Mike



96-0295 JUL 12

**MARCO ISLAND TAXPAYERS' ASSOCIATION**

Post Office Box No. 1263  
Marco Island, Florida 33969

**RECEIVED**

JUL 17 1996

Fay R. Biles, Ph.D., President  
(941) 394 3889 Fax: same

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JUL 2 1996

July 2, 1996

Florida Public Service Commission  
Division of Water and Wastewater

FPSC-RECORDS/REPORTING

Ms. Susan Clark  
Chairperson, Florida Public Service Commission  
Fletcher Bldg.  
101 East Gaines St.  
Tallahassee, FL 32399-0870

Dear Ms. Clark:

If you remember from your hearing on Marco Island, you can recall how terribly unhappy we are with Southern States Utilities (SSU). Nothing has united Marco Islanders like our mutual feelings of negativity toward toward SSU. We urged and were pleased when Collier County took over utility regulation at a more local level, Collier County.

The Public Service Commission properly acknowledged the Collier County authority and has ceased collecting regulatory fees from all private utilities in Collier County, including SSU.

SSU has refused to remit required regulatory fees to our County. In addition, Collier County is also a customer of SSU and is paying regulatory fees that it cannot collect from SSU.

The regulatory fees are added to OUR bills; it is OUR money, and they are collecting interest on OUR money. Since it is OUR money, it may be necessary for our taxpayers to deduct the fee of 4 1/2 percent and send it directly to Collier County.

Marco Islanders were impressed with the intent with which you and the other panel members listened to our problems with SSU. To whom do we turn now if we have problems (which still exist) with SSU that are unrelated to the ongoing rate case?

The PSC serves Florida taxpayers, and we need to know from you to whom do we address our concerns? Is it Collier County? Please tell us in writing where to write.

Sincerely,  
*Fay R. Biles*

Fay R. Biles, Ph.D.  
President, MITA

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Florida Public Service Comm.  
Commissioner Clark

State of Florida

Susan F. Clark  
Chairman



Gerald L. Gunter Building  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850  
(904) 413-6640  
FAX (904) 487-1716

## Public Service Commission

August 26, 1996

Fay R. Biles, Ph.D.  
President, MITA  
Post Office Box 1263  
Marco Island, Florida 33969

Dear Dr. Biles:

Thank you for your letter of July 2, 1996, in which you express your concern about Southern States Utilities, Inc.'s (SSU) collection and handling of regulatory assessment fees.

As you note in your letter, Collier County has taken over regulation of water and wastewater utilities in that county. However, the status of this Commission's jurisdiction over SSU's facilities in Collier County is not so straightforward.

As you may recall, in Docket No. 930945-WS, the Commission found that SSU's facilities and land in Florida were subject to the Commission's jurisdiction pursuant to Section 367.171, Florida Statutes. That section provides that the Commission has exclusive jurisdiction over all utility systems whose service transverses county boundaries, whether the counties involved are jurisdictional or nonjurisdictional. Section 367.021, Florida Statutes, states that the term "system" includes a combination of functionally related facilities and land. The Commission found in Docket No. 930945-WS that all of SSU's water and wastewater facilities and land were "functionally related," and, therefore, subject to the Commission's jurisdiction. This finding is on appeal to the First District Court of Appeals and until a decision is rendered by that court, the issue of Collier County's jurisdiction over SSU's facilities in Collier County will not finally be resolved.

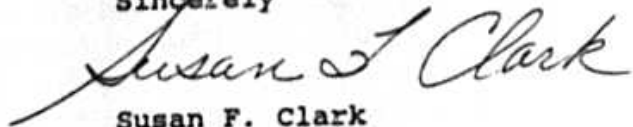
In addition, Collier County has filed a Petition for Declaratory Statement regarding the status of the Commission's jurisdiction over SSU's facilities in Collier County, and its entitlement to regulatory assessment fees during the pendency of the court appeal. It would be inappropriate for me to comment on the merits of this proceeding at this time, however, because this case is pending before the Commission.

Dr. Fay R. Biles  
August 26, 1996  
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I can understand your frustration over the issues raised in your letter. The circumstances surrounding regulatory authority over SSU and the company's liability for regulatory assessment fees on revenues generated in Collier County are indeed complex. While I do not have any definite answers at this time, you may be interested in knowing that the Commission is scheduled to address Collier County's Petition within the next few months.

Thank you again for your letter.

Sincerely



Susan F. Clark  
Chairman

cc: Blanca Bayó, Division of Records and Reporting  
-- DN 960806-WS  
Ralph Jaeger, Esquire  
Division of Legal Services  
Charles Hill, Director  
Division of Water and Wastewater