



Public Service Commission

ORIGINALS
FILE COPY

-M-E-M-O-R-A-N-D-U-M-

DATE: September 5, 1996

TO: Division of Water and Wastewater, Charles Hill *TO RAR*
 Division of Water and Wastewater, John Williams
 Division of Legal Services, Lila Jaber
 Division of Legal Services, Bobbie Reyes

FROM: Division of Water & Wastewater, J. Travis Coker *JTC*

RE: DOCKET NO. 960394-WU; Request for approval of transfer of facilities of Glenn's Cove Central Water System to City of Tavares and cancellation of Certificate No. 324-W in Lake County.

Please see the attached letter which was in response to the customer's (Burgmans) concerns in the above referenced docket file. If you have any additional questions, please do not hesitate to call me.

- ACK _____
- AFA _____
- APP _____
- CFE _____
- CMH _____
- GTR _____
- ETS _____
- LC _____
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DOCUMENT NUMBER-DATE
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 FPSC-RECORDS/REPORTING

State of Florida

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



DIVISION OF WATER &
WASTEWATER
CHARLES HILL
DIRECTOR
(904) 413-6900

Public Service Commission

Mr. and Mrs. Bernard Burgman
11415 Palmetto Drive
Tavares, Florida 32778

September 5, 1996

Dear Mr. and Mrs. Burgman:

Public Service Commission staff has received your letter regarding the possible sale of Glenn's Cove Water System in Lake County. Staff understands your concerns about a possible sale and exit of the system from PSC regulation. It is our understanding that a non-profit homeowners association is negotiating for the purchase of the water system from the present owner.

Should this sale occur, the operation of the water system by the homeowners association would qualify the utility as an exempt entity. This "exempt" status means that the system is excluded from rate base regulation. Such status does have its benefits. The utility system would not be required to pay a yearly regulatory assessment fee, submit an annual report or meet other regulatory measures, which only increase the costs of operating a water utility system. As members of the non-profit association, you would have the opportunity to have input on operation of the system and participate in setting rates and charges. However, even though the association would be an exempt entity, it is still considered to be under the regulatory umbrella of the Commission. If there are abuses in the operation of the utility, the Commission could still initiate an investigation and require the utility to file for certification as a fully regulated utility. Customers could file official complaints to:

Florida Public Service Commission, Division of Consumer Affairs, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0867. The Commission also has a toll free number for Consumer Affairs, 1-800-342-3552.

I hope this information is helpful and addresses your concerns. If I can be of any assistance, do not hesitate to contact me directly at (904) 413-6997.

Sincerely,

A handwritten signature in cursive script that reads "J. Travis Coker".

J. Travis Coker
Regulatory Analyst II

JTC/jtc
C:\netwin\wp\gcove

cc: Division of Water and Wastewater (Hill, Williams)
Division of Legal Affairs (Jaber, Reyes)

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AUG 20 1996

Florida Public Service Commission
Division of Water and Wastewater

Mr. & Mrs. Bernard Burgman
11415 Palmetto Drive
Tavares, Florida 32778

August 11, 1996

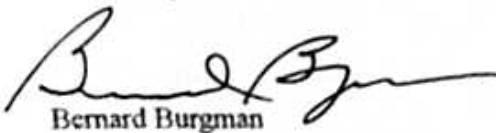
Mr. Travis Coker
Water & Water Waste Management
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399

Re: Glenn's Cove Water System

Dear Mr. Coker:

We are homeowners and consumers of water from the Glenn's Cove Water System. At the present time the homeowners are in the process of buying this system from the present owner. However, we find the board of directors are trying to get an exemption from the Public Service Commission. This is not acceptable. We wish to REMAIN UNDER THE PUBLIC SERVICE COMMISSION.

Yours truly,


Bernard Burgman


Iris Burgman