



JACK SHREVE  
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STATE OF FLORIDA  
OFFICE OF THE PUBLIC COUNSEL

c/o The Florida Legislature  
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November 12, 1999

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RECORDS AND REPORTING

ORIGINAL

Ms. Blanca S. Bayó, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0870

RE: Docket No. 981781-SU

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of the Post Hearing Statement of the Citizens of the State of Florida for filing in the above-referenced docket.

Also enclosed is a 3.5 inch diskette containing the Post Hearing Statement of the Citizens of the State of Florida in WordPerfect for Windows 6.1. Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

Sincerely,

Stephen C. Reilly  
Associate Public Counsel

AFA	SCR/dsb
APP	Enclosures
CAF	_____
CMU	_____
CTR	_____
EAG	_____
LEG	2
MAS	3
CPC	_____
PAI	_____
SEC	1
WAW	_____
OTH	_____

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE  
13923 NOV 12 99  
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL

In re: Application for amendment )  
of Certificate No. 247-S to )  
extend service area by the )  
transfer of Buccaneer Estates in )  
Lee County to North Fort Myers )  
Utility, Inc. )  
\_\_\_\_\_)

DOCKET NO. 981781-SU

Filed: November 12, 1999

POST HEARING STATEMENT  
OF THE CITIZENS OF THE STATE OF FLORIDA

Jack Shreve  
Public Counsel

Office of the Public Counsel  
c/o The Florida Legislature  
111 West Madison Street  
Room 812  
Tallahassee, FL 32399-1400

Attorney for the Citizens  
of the State of Florida

DOCUMENT NUMBER-DATE  
13923 NOV 12 1999  
FPSC-RECORDS/REPORTING

664

POST HEARING STATEMENT  
OF THE CITIZENS OF THE STATE OF FLORIDA

Public Counsel fully supports the Settlement Agreement entered into with NFMU. Public Counsel filed two different sets of testimony in this docket which was building a case to make the Buccaneer Homeowners' Association a bulk customer of North Fort Myers Utility ("NFMU" or "Utility") and a nonprofit provider of wastewater service to Buccaneer Estates. The Office of Public Counsel ("OPC") believed that such an arrangement offered the best (lowest cost to the homeowners) alternative to NFMU's proposal to make the Buccaneer homeowners retail customers of NFMU, and imposing upon every homeowner its connection charge of \$462.00 as a pass-through under Chapter 723, Florida Statutes. OPC's proposal would have conveyed ownership of the collection system to the Association without charge, eliminated the \$462.00 connection or pass-through charge per homeowner and saved about \$10,000 per month in wastewater charges, by eliminating the \$10.98 per customer base facility charge. However, the cost to administer the wastewater billing, the cost of employing a professional to oversee the wastewater collection system and the cost to maintain, repair and upgrade as necessary, the collection system would all have been costs which would have reduced the \$10,000 per month savings of establishing the Association as a bulk customer of NFMU.

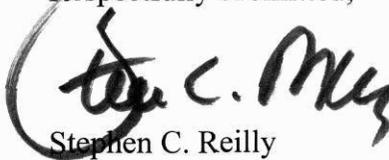
The Homeowners' Association's officers and the Utility Committee advised OPC that, given the advanced age of many of the homeowners and the questionable condition of the collection system, the homeowners were not prepared to assume ownership and responsibility for the collection system. This decision, conveyed shortly before the scheduled hearing, effectively killed OPC's

proposal to establish the Association as a bulk rate customer of NFMU. As an alternative, the Association's officers and the Utility Committee requested OPC to pursue the Settlement Agreement that was ultimately agreed to between OPC and NFMU. Public Counsel, on instructions from the Board of Directors of the Homeowners' Association and the Utility Committee, executed the Settlement Agreement with NFMU. Immediately after the terms were agreed to between OPC, NFMU and the Buccaneer Association's officers and duly elected Utility Committee, OPC began contacting the three intervenors to seek their support of the Settlement Agreement. The three intervenors declined to approve the Settlement Agreement. This caused the proposed Settlement Agreement to become a Settlement Offer made by two of the parties to this proceeding and the Board of Directors of the Association and the Utility Committee. Even though the Board's and Utility Committee's instructions changed at the hearing, Public Counsel had already signed the Settlement Offer, and continues to be bound by that agreement.

At the rescheduled October 13, 1999 hearing the Commission took evidence in support of and in opposition to the Settlement Offer and an alternative Settlement Offer proposed by intervenor, Ronald Ludington. The Ludington proposal seeks a Commission Order which grants NFMU's application to extend its territory to serve Buccaneer Estates, but with the monthly bill, using NFMU's rate schedule GS, being sent to the Park Owner rather than the residents. The Ludington proposal also requests the Commission to issue an order denying NFMU authority to collect any service availability fee or connection fee from the residents, as a result of Buccaneer Estate's interconnection with NFMU's system. Under the Ludington proposal, NFMU would be precluded from billing for monthly wastewater service provided to the residents prior to March 1, 1999.

The Public Counsel signed the agreement with NFMU (Settlement Offer). The Settlement Offer prohibits NFMU from collecting from the residents directly, or indirectly as a pass-through under Chapter 723, Florida Statutes, over \$448,000 of connection charges, and any compensation from the residents for nine months of wastewater service. For these reasons, Public Counsel is bound and continues to support the Settlement Offer signed by NFMU and Public Counsel.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen C. Reilly", is written over a circular stamp or mark.

Stephen C. Reilly  
Associate Public Counsel

Office of Public Counsel  
c/o The Florida Legislature  
111 W. Madison Street  
Room 812  
Tallahassee, FL 32399-1400

(850) 488-9330

Attorney for the Citizens  
of the State of Florida

**CERTIFICATE OF SERVICE  
DOCKET NO. 981781-SU**

I HEREBY CERTIFY that a correct copy of the foregoing Post Hearing Statement of the Citizens of the State of Florida has been furnished by U.S. Mail or hand delivery\* to the following parties on this 12th day of November, 1999.

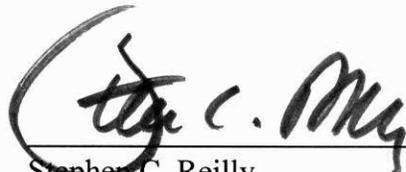
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Stephen C. Reilly  
Associate Public Counsel