

ORIGINAL

STATE OF FLORIDA

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DIVISION OF WATER & WASTEWATER
DANIEL M. HOPPE, DIRECTOR
(850) 413-6900

Public Service Commission

March 1, 2000

Mr. Kenneth Wankowski
147 Breeze Hill
Lake Wales, Florida 33853-7300

Re: Docket No. 990356-WS, Application for staff-assisted rate case in Polk County by Bieber Enterprises, Inc. d/b/a Breeze Hill Utilities

Dear Mr. Wankowski:

At our November 16, 1999 meeting with you and Mr. Sheppard, you requested to see the information that we used to determine the average water consumption per residential customer of 7,500 gallons per month. Please find enclosed four schedules showing various average monthly water consumption calculations that we considered. List 1 shows the average based upon 28 Class C utilities located either in or near Polk County. As you can see from the list, several of those utilities serve more customers than Breeze Hill Utilities serves. Therefore, we also calculated the average consumption for utilities with less than 400 customers, less than 300 customers, and less than 200 customers. These calculations are shown on Lists 2, 3, and 4, respectively.

As you can see, in each instance, the average monthly consumption is greater than the 7,500 gallons per month average that we used. However, the average for the three utilities from the sample that are located in Polk County is very close to 7,500 gallons per month. The calculation for the Polk County utilities is shown at the bottom of each of the lists.

Additionally, at our November 16, 1999 meeting, you indicated that you have information from a 1985 Polk County Board of County Commissioners meeting that indicates that the average usage for mobile homes is 210 gallons per day. That equates to approximately 6,388 gallons per month. I have included a schedule to show you the effect that lowering the consumption to the 210 gallon per day level would have on the gallonage charge calculation. As you will see from the calculation, lowering the consumption figures to your proposed level causes the gallonage charge to increase by 19¢ per 1,000 gallons.

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FPSC-RECORDS/REPORTING

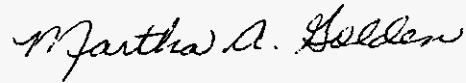
Mr. Kenneth Wankowski

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March 1, 2000

I hope this information will be helpful to you.

Sincerely,



Martha A. Golden
Economic Analyst

/MAG

Enclosure

cc: Mr. Charlie Sheppard
Mr. Ronald Lutz
Mr. Paul Bieber
Office of Public Counsel
Division of Legal Services (Gervasi, Crossman)
Division of Records and Reporting (docket file)
Division of Water and Wastewater (Hoppe, Lowe, Daniel, Bethea, Rendell, Butts, Casey, Rieger)

BREEZE HILL UTILITIES
DOCKET NO. 990356-WS
AVERAGE USAGE COMPARISON FOR CLASS C UTILITIES
List 1: Average of Class C utilities near Polk County

# Count	Utility	County	Number of Customers	Average Usage Per Customer in gallons
1	Placid Lakes	Highlands	1,159	5,853
2	Sebring Ridge	Highlands	428	6,082
3	Buttonwood Bay	Highlands	961	6,419
4	Heartland	Highlands	643	5,180
5	Damon	Highlands	218	3,965
6	Crystal Lake	Highlands	443	7,997
7	Lake Josephine	Highlands	434	4,576
8	Glenn's Cove	Lake	58	5,645
9	J. Swiderski	Lake	147	15,540
10	Ravenswood	Lake	41	7,941
11	Kings Cove (J. Swiderski)	Lake	191	19,373
12	Pine Harbour	Lake	59	7,444
13	48 Estates	Lake	71	8,641
14	Century Estates	Lake	82	7,682
15	Tangerine	Orange	225	14,250
16	Morningside	Osceola	181	6,840
17	Airport Road	Osceola	239	4,594
18	Dixie Groves	Pasco	337	5,213
19	Paradise Lakes	Pasco	342	3,044
20	Crestride Utilities	Pasco	612	4,263
21	Floralino (converted to monthly)	Pasco	697	5,000
22	Holiday Gardens	Pasco	444	4,000
23	Virginia City	Pasco	311	5,000
24	Betmar	Pasco	1,633	1,976
25	Orchid Springs	Polk	308	7,484
26	Sunrise Water Co. (1998 AR)	Polk	252	7,646
27	Keen Sales (1998 AR)	Polk	196	7,428
28	Magnolia Manor	Sumter	45	3,785
				192,861
			Average	9,184
Polk County Only				
1	Orchid Springs	Polk	308	7,484
2	Sunrise Water Co. (1998 AR)	Polk	252	7,646
3	Keen Sales (1998 AR)	Polk	196	7,428
				22,558
			Average	7,519

BREEZE HILL UTILITIES
DOCKET NO. 990356-WS
AVERAGE USAGE COMPARISON FOR CLASS C UTILITIES
List 2: Average of Class C utilities near Polk County with less than 400
customers

# Count	Utility	County	Number of Customers	Average Usage Per Customer in gallons
1	Ravenswood	Lake	41	7,941
2	Magnolia Manor	Sumter	45	3,785
3	Glenn's Cove	Lake	58	5,645
4	Pine Harbour	Lake	59	7,444
5	48 Estates	Lake	71	8,641
6	Century Estates	Lake	82	7,682
7	J. Swiderski	Lake	147	15,540
8	Morningside	Osceola	181	6,840
9	Kings Cove (J. Swiderski)	Lake	191	19,373
10	Keen Sales (1998 AR)	Polk	196	7,428
11	Damon	Highlands	218	3,965
12	Tangerine	Orange	225	14,250
13	Airport Road	Osceola	239	4,594
14	Sunrise Water Co. (1998 AR)	Polk	252	7,646
15	Orchid Springs	Polk	308	7,484
16	Virginia City	Pasco	311	5,000
17	Dixie Groves	Pasco	337	5,213
18	Paradise Lakes	Pasco	342	3,044
				141,515
			Average	7,862
Polk County Only				
1	Orchid Springs	Polk	308	7,484
2	Sunrise Water Co. (1998 AR)	Polk	252	7,646
3	Keen Sales (1998 AR)	Polk	196	7,428
				22,558
			Average	7,519

BREEZE HILL UTILITIES
DOCKET NO. 990356-WS
AVERAGE USAGE COMPARISON FOR CLASS C UTILITIES
List 3: Average of Class C utilities near Polk County with less than 300
customers

# Count	Utility	County	Number of Customers	Average Usage Per Customer in gallons
1	Ravenswood	Lake	41	7,941
2	Magnolia Manor	Sumter	45	3,785
3	Glenn's Cove	Lake	58	5,645
4	Pine Harbour	Lake	59	7,444
5	48 Estates	Lake	71	8,641
6	Century Estates	Lake	82	7,682
7	J. Swiderski	Lake	147	15,540
8	Morningside	Osceola	181	6,840
9	Kings Cove (J. Swiderski)	Lake	191	19,373
10	Keen Sales (1998 AR)	Polk	196	7,428
11	Damon	Highlands	218	3,965
12	Tangerine	Orange	225	14,250
13	Airport Road	Osceola	239	4,594
14	Sunrise Water Co. (1998 AR)	Polk	252	7,646
				120,774
			Average	8,627
Polk County Only				
1	Orchid Springs	Polk	308	7,484
2	Sunrise Water Co. (1998 AR)	Polk	252	7,646
3	Keen Sales (1998 AR)	Polk	196	7,428
				22,558
			Average	7,519

BREEZE HILL UTILITIES

DOCKET NO. 990356-WS

AVERAGE USAGE COMPARISON FOR CLASS C UTILITIES

List 4: Average of Class C utilities near Polk County with less than 200 customers

# Count	Utility	County	Number of Customers	Average Usage Per Customer in gallons
1	Ravenswood	Lake	41	7,941
2	Magnolia Manor	Sumter	45	3,785
3	Glenn's Cove	Lake	58	5,645
4	Pine Harbour	Lake	59	7,444
5	48 Estates	Lake	71	8,641
6	Century Estates	Lake	82	7,682
7	J. Swiderski	Lake	147	15,540
8	Morningside	Osceola	181	6,840
9	Kings Cove (J. Swiderski)	Lake	191	19,373
10	Keen Sales (1998 AR)	Polk	196	7,428
				90,319
			Average	9,032
Polk County Only				
1	Orchid Springs	Polk	308	7,484
2	Sunrise Water Co. (1998 AR)	Polk	252	7,646
3	Keen Sales (1998 AR)	Polk	196	7,428
				22,558
			Average	7,519

BREEZE HILL UTILITIES
DOCKET NO. 990356-WS
COMPARISON OF WATER GALLONAGE CHARGE AT STAFF'S
TOTAL CONSUMPTION LEVEL AND MR. WANKOWSKI'S PROPOSED
CONSUMPTION LEVEL

Breakdown of Water Revenue Requirement Recovery

Recovered through base facility charge	\$17,606
Recovered through gallonage charge	<u>\$13,786</u>
Total water revenue requirement	<u>\$31,392</u>

PSC Staff's Calculation of the Gallonage Charge

Recovered through gallonage charge	\$13,786
Divided by total gallons (000's omitted)	<u>11,462</u>
Gallonage Charge	<u>\$1.20</u>

Recalculation of the Gallonage Charge using Mr. Wankowski's proposed
consumption level of 210 gallons per day per mobile home

Recovered through gallonage charges	\$13,786
Divided by total gallons (000's omitted)	<u>9,913</u>
Gallonage Charge	<u>\$1.39</u>

Difference in gallonage charge resulting from recalculation at lower usage level:

Mr. Wankowski's rate	\$1.39
PSC Staff's rate	<u>\$1.20</u>
Difference	<u>\$0.19</u>