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ORIGINAL

March 10, 2000

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. 951056-WS

RECEIVED FPSC
MAR 10 PM 3:45
RECORDS AND REPORTING

Dear Ms. Bayó:

Enclosed are an original and fifteen copies of Office of the Public Counsel's Response to Florida Water Services Corporation's Motion for Abatement and Continuance for filing in the above-referenced docket.

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

SCR/dsb
4 Enclosures
APR _____
CAF _____
CMU _____
CTR _____
EAG _____
LEG 2
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OPC _____
RRR _____
SEC 1
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RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

03164 MAR 10 00

RECORDS AND REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for rate)
increase in Flagler County by)
Palm Coast Utility Corporation)
_____)

Docket No. 951056-WS
Filed: March 10, 2000

ORIGINAL

**OFFICE OF THE PUBLIC COUNSEL'S RESPONSE TO
FLORIDA WATER SERVICES CORPORATION'S
MOTION FOR ABATEMENT AND CONTINUANCE**

The Office of the Public Counsel (OPC), hereby files its response to Florida Water Services Corporation's ("Florida Water") Motion for Abatement and Continuance ("Motion") of Docket No. 951056-WS, filed on March 3, 2000.

1. In its Motion Florida Water correctly indicates that it was in contact with counsel for OPC. Florida Water also correctly states in its Motion that agreement was reached with OPC concerning procedures for discovery during the continuance period regarding Florida Water's Application for Conditional Establishment of Water and Wastewater Rates ("Application") filed with the Flagler County Utility Regulatory Interim Authority.

2. Florida Water also correctly states that there was disagreement between OPC and Florida Water concerning potential refunds of interim revenues currently being collected by Florida Water. By not opposing the requested continuance, OPC does not waive its right to seek relief for customers to the extent the requested delay harms the Citizens of the State of Florida.

3. OPC takes issue with Florida Water's suggestion that the final water and wastewater revenue requirements reflected in the anticipated settlement proposal contained in its Application are higher than current interim revenue requirements and thus, there would be no refunds. OPC has reviewed the information supplied by Florida Water in its Application and does not agree that no refunds would be required, even under the proposal submitted by Florida Water. In fact, even under

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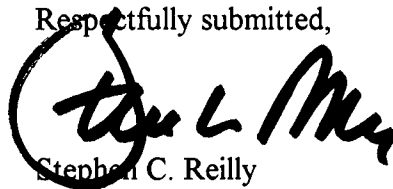
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FPSC-REGULATORY REPORTING

the methodology used by Florida Water (which OPC does not agree) a refund is indicated for wastewater service. Nevertheless, OPC does not believe this disagreement merits a denial of the requested abatement and continuance because the amounts appear to be relatively small. At the time Florida Water presents a settlement to the OPC and/or the Commission any differences of opinion concerning the proper method for calculating refunds can be addressed at that time.

WHEREFORE, OPC does not object to Florida Water's Motion to Abate and Continue Docket No. 951056-WS so long as Florida Water provides OPC with responses to discovery as provided in paragraph 13 of Florida Water's motion.

Respectfully submitted,



Stephen C. Reilly
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Attorney for the Citizens
of the State of Florida

**CERTIFICATE OF SERVICE
DOCKET NO. 951056-WS**

I HEREBY CERTIFY that a true and correct copy of the foregoing Office of the Public Counsel's Response to Florida Water Services Corporation's Motion for Abatement and Continuance has been furnished by U.S. Mail or *hand-delivery to the following parties this 10th day of March, 2000.

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