Collin Roehner

From:	Office of Commissioner Brown
Sent:	Monday, December 05, 2016 10:38 AM
To:	Commissioner Correspondence
Subject:	FW: Aquarina Utilities--Docket No. 150010--Request for Postponement--docx version
Attachments:	PSC.Brown.Postpone.p2 edits.docx; ATT00001.htm

Importance: High

Please place in Docket Correspondence, Consumers and their Representatives, in Docket No. 150010-WS.
Thank you.
Joann

From: Don Schwinn [mailto:donschwinn@comcast.net]
Sent: Monday, December 05, 2016 9:49 AM
To: Office of Commissioner Brown
Cc: Office of Commissioner Brisé; Office Of Commissioner Edgar; Office Of Commissioner Graham; Office of Commissioner Patronis; Braulio Baez; Greg Shafer; Shannon Hudson; Sayler, Erik; Mark Futrell; Dick Omrod
Subject: Re: Aquarina Utilities--Docket No. 150010--Request for Postponement--docx version
Importance: High

Microsoft Word version is attached in case previous email version did not open correctly.

Aquarina Community Services Association
450 Aquarina Boulevard
Melbourne Beach FL 32951

Ms. Julie I. Brown, Chairman
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: PSC Docket No. 150010-WS
Aquarina Utilities Rate Increase   December 5, 2017

Dear Chairman Brown:

We the undersigned are officers of the Aquarina Community Services Association. the major customer of Aquarina Utilities Inc whose rate case continuation is scheduled for tomorrow's Agenda conference. The purpose of this letter is to request deferral of the remaining Issues No 10 to 19 to the Commission's Agenda Conference in February 2017. Our reasons for this request are as follows:

1.   Upon detailed review of the Staff's full report *we believe that the Staff's allowance for management fees by the utility is materially defective*. Our calculations, based on previous rate cases of the same utility, indicate that the management fees are more than $100,000 excessive. Because the Staff's proposed revenue increase is more than 40% beyond the 2014 test year's revenues, the impact on our residents will be severe unless these fees are reduced to justifiable amounts.

2.   *The timeliness and accuracy of your staff's responses and calculations are most unsatisfactory.* It was not until December 1st that our November 20 request for Phase II costs for the 3 alternatives was received, too late for our Board to review them thoroughly before tomorrow's conference. Because our Board was given incomplete and erroneous calculations when we were asked to decide on an alternative rate schedule by November 15, *we are rescinding our preference for Alternative 1.* In addition, because 95%+ of the recommended revenue increase was assigned to non-potable uses in the Staff's recommendation, an incomprehensible distribution, *we hereby oppose and reject the Staff's recommended rate schedule.* You may also note that the flat rate for wastewater for users outside Aquarina is well below what our metered users will have to pay. And that the Staff's calculated irrigation cost for non-potable water is based on potable water consumption, an obvious flaw in thinking.

3.   At the November 1 Agenda Conference the Commission voted to require a Management Audit of the utility. We believe that this audit will expose irregular cost and labor accounting that inflated the utility's costs. *We therefore request that the Commission defer any decision on costs and revenues until this audit is completed.*

We have chosen to ask for deferral until February because of the difficulty in coordinating schedules during the Christmas season. We firmly believe that getting this right the first time, even if it means a delay is preferable to the time, cost and inconvenience associated with after the fact protests or other legal remedies.

We would appreciate confirmation of deferral of our agenda Item #8 to your February conference by 2pm today. It will save substantial travel and time commitments on our part.

Thank you,

Patrick Pollock, President
Ann Bruns, Vice-President