

DOCKET NO. 991627-WU

REQUEST TO ESTABLISH DOCKET

Date October 20, 1999

- 1. Division Name/Staff Name Division of Water and Wastewater / Troy Rendell, Marshall Willis
- 2. OPR: Butts, Dewberry, Willis, Rendell, Bethea
- 3. OCR: Legal
- 4. Suggested Docket Title: Application for a rate increase by Park Water Company, Inc in Polk County

5. Suggested Docket Mailing List (attach separate sheet if necessary)

A. Parties (Provide names of regulated companies or use abbreviation from list below if Parties should include all regulated companies in one or more industries; provide names and addresses of nonregulated companies; provide names, addresses, and affiliation (i.e., attorney, company liaison officer, or customer) of individuals.)

<u>Anthony Staiano, President</u>	<u>Joseph Hodakowski</u>
<u>Park Water Company, Inc.</u>	<u>Certified Public Accountant</u>
<u>25 First Avenue North</u>	<u>99 Grayrock Road</u>
<u>Lake Wales, FL 33853</u>	<u>Clinton, NJ 08809</u>

B. Interested Persons/Companies (Provide names, complete mailing addresses, and affiliation. Use abbreviation from list below if Interested Persons should include all regulated companies in one or more industries.)

REGULATED INDUSTRIES

Investor-Owned Electrics	(EI)	Alternative Local Telephone	(TX)
Electric Cooperatives	(EC)	Local Exchange Telephone Cos.	(TL)
Municipal Electrics	(EM)	Interexchange Telephone Cos.	(TI)
Gas Utilities	(GU)	Coin-Operated Telephone Cos.	(TC)
Wastewater Utilities	(SU)	Shared Tenant Telephone Cos.	(TS)
Water Utilities	(WU)	Alternative Access Vendors	(TA)

6. Check One:

- Documentation attached.
- Documentation will be provided with recommendation.

CONTACT NO: 03327 CHAIRMAN'S NO: 00289 DATE OF CONTACT: 10/15/1999 DUE DATE: 10/26/1999
 CONTACT TYPE: LETTER NATURE OF CONTACT: UTILITY REPRESENTATIVE
 ENTERED BY: VERONICA WASHINGTON RECEIVED BY: GARCIA REFERRED BY:

LAST NAME	FIRST	MI
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STAIANO	ANTHONY	MR.
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MAILING ADDRESS	CITY	STATE
25 FIRST AVENUE, NORTH	LAKE WALES	FL

ZIP: 33853

WORK PHONE: HOME PHONE: FAX:

NAME OF ORGANIZATION: PARK WATER COMPANY

INTERNET/E-MAIL:

COMPANY NAME: PARK WATER COMPANY INC.

COMPANY CODE: WU776

ACCT NO:

TYPE: NA SUBJECT: REQUEST FOR RATE INCREASE

NOTES: RESPOND - CC: CHAIRMAN'S OFFICE

ASSIGNED TO:

ACTION TAKEN

ACTION DATE

DIVISION ASSIGNED: WAW

RESPONSE: RESPONSE DATE:

DATE CLOSED:

RESPONSE INSTRUCTIONS

- PREPARE LETTER FOR THE CHAIRMAN'S SIGNATURE
- RESPOND TO LETTER AND CC: CHAIRMAN'S OFFICE
- CONTACT JORGE CRUZ-BUSTILLO BEFORE ACTING ON THIS COMPLAINT
- NO RESPONSE NECESSARY

RECEIVED

OCT 18 1999

Florida Public Service Commission
 Division of Water and Wastewater

September 30, 1999

RECEIVED

OCT 22 1999

Florida Public Service Commission
Division of Water and Wastewater

The Honorable Joe A. Garcia, Chairman
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

991627 WLS

Dear Chairman Garcia:

On behalf of Park Water Company (Company), this is to request approval of a test year to be used for the purpose of submitting an application to the Florida Public Service Commission (Commission) for general rate relief. The Company is experiencing a declining rate of return on its water operations in Polk County and finds it necessary to request an increase in rates and charges in order to have the opportunity to earn a fair rate of return on our investment.

We request that the Commission approve the historic twelve month period ended December 31, 1998 projected to the twelve month period ending December 31, 1999 as the test year for our petition to increase our rates and charges. The company will not be requesting interim rates. We offer the following reasons for approval of this period:

1. The Company is a Class C utility with annual revenues above \$150,000 and therefore does not meet the threshold for a staff assisted rate case.
2. Our rate of return for the twelve-month period ended December 31, 1998 was less than a fair rate of return. Our rate of return is expected to decline further based on our projections for 1999.
3. In 1998 and 1999, we have experienced plant costs due to plant expansion and improvement projects. All these increased plant costs have contributed to the current inadequate rate of return.
4. A projected test year will be more representative of normal Company operations in the future as it will encompass all of our increased plant costs.

(Florida Public Service Commission, page 2)

We plan to file the minimum filing requirements for rate relief no later than December 1, 1999. We also anticipate filing under the Proposed Agency Action. If any additional information is needed, please let us know.

Sincerely,
Anthony Staiano
Anthony Staiano
Anthony Staiano
President

AS

cc: Joseph G. Hodakowski, CPA
Marshall Willis, FPSC
Bob Casey, FBSC