

Commissioners:
SUSAN F. CLARK, CHAIRMAN
J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING
JOE GARCIA

State of Florida



Blanca S. Bayó, Director
Division of Records and Reporting
(904) 413-6770

Public Service Commission

DATE: November 17, 1995
TO: Parties of Record
FROM: Blanca S. Bayó, Director *bsb/ly*
Division of Records and Reporting
RE: Docket No. **950495-WS** - Application for rate increase and increase in service availability charges by Southern States Utilities, Inc. for Orange-Osceola Utilities, Inc. in Osceola County, and in Bradford, Brevard, Charlotte, Citrus, Clay, Collier, Duval, Highlands, Lake, Lee, Marion, Martin, Nassau, Orange, Osceola, Pasco, Putnam, Seminole, St. Johns, St. Lucie, Volusia and Washington Counties.

This is to inform you that the Commissioners have reported the following communication in the above referenced dockets.

- Letter from Representative Marvin R. Couch dated October 20, 1995.

Representative Couch's letter and Chairman Clark's response, copies of which are attached, are being made a part of the record in these proceedings. Pursuant to Section 350.042, F.S., any party who desires to respond to an ex parte communication may do so. The response must be received by the Commission within 10 days after receiving notice that the ex parte communication has been placed on the record.

BSB/cp

Attachments

cc: Rob Vandiver/w/letter

State of Florida

Susan F. Clark
Chairman



Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
(904) 413-6040
FAX (904) 487-1716

Public Service Commission

November 8, 1995

The Honorable Marvin R. Couch
Representative, District 33
406 House Office Building
Tallahassee, Florida 32399-1300

Dear Representative Couch:

Thank you for your letter dated October 20, 1995, regarding the Commission's decision to implement stand-alone rates for Southern States Utilities, Inc (SSU).

The Commission's order granting increased rates for SSU based on a uniform rate structure was appealed by Citrus County and Sugarmill Woods Civic Association. On April 6, 1995, the Commission's decision was reversed and remanded by the First District Court of Appeal. The Commission's Motion for Rehearing was denied by the Court. A mandate was issued by the Court on July 13, 1995. SSU filed a petition seeking review of the First District Court Appeal's opinion to the Florida Supreme Court. The Commission filed a Notice of Joinder of SSU's petition in the Supreme Court. However, on October 27, 1995, the Supreme Court declined to consider SSU's petition.

In complying with the Court's mandate, the Commission voted last month to approve a different rate structure for SSU. In so doing, the Commission had to choose a rate structure supported by evidence presented in Docket No. 920199-WS that was consistent with the Court's opinion. We chose a modified stand-alone rate structure. On a going-forward basis, the new rate structure will result in higher rates for some of SSU's customers. Of course, because the Commission's decision involved rate structure only, some customers will experience lower rates. The Commission did not hold additional customer service hearings in the service area because the Commission's decision addressing the Court's remand had to be based on the record developed during the hearings held in 1992.

You may be interested in knowing that SSU has filed a new request for a rate increase for all of its facilities and service areas except those located in the counties of Hernando, Hillsborough, and Polk. The utility has requested rates based on

The Honorable Marvin R. Couch
November 8, 1995
Page 2

a uniform rate structure. This rate application is pending and is being considered in Docket No. 950495-WS. During the pendency of this proceeding, the Commission will be holding 15 customer service hearings throughout SSU's service area to receive input from customers.

I have enclosed a copy of the District Court of Appeal's order reversing the Commission's decision, and the Commission's Order addressing the Court's remand. Thank you again for your letter. Please call me if you have additional questions.

Sincerely,



Susan F. Clark
Chairman

Enclosures

cc: General Counsel (Vandiver)
Division of Legal Services (Jaber)
Division of Water & Wastewater (Hill, Willis)
Division of Records and Reporting (DN 950495-WS)



RECEIVED

OCT 20 1995

95-0375 OCT 26 1995
Office Comm.
Commissioner Clark

Florida House of Representatives

P.O. Box 2109
Crescent, FL 32765
407-365-7099

MARVIN R. COUCH
REPRESENTATIVE, DISTRICT 33

406 House Office Building
Tallahassee, FL 32399-7300
904-488-0468

October 20, 1995

Chairman Susan Clark
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0867

Dear Chairman Clark:

I am appalled at the recent Commission decision to abandon uniform rates for customers of Southern State Utilities in favor of so-called stand alone rates. This action will unfairly impact my constituents with enormous increases in monthly water and wastewater bills. In some cases, citizens in my district will suffer increases of more than \$50 per month without any increase in consumption. This is absolutely outrageous.

I am confident that your poor decision is unprecedented in the history of Florida utility regulation. At minimum, citizens facing rate hikes of these proportions should be provided sufficient notice and given the opportunity to be heard in a public forum. By your unilateral decision, made in the safe confines of the Commission's offices, you have denied citizens this right.

Further, it is my understanding that this rate issue is before the Florida Supreme Court for their consideration. Why would you act now before that court renders a decision? Is the Commission under specific court order to abandon uniform rates? I don't believe that is the case.

I urge you to reconsider this action and provide all affected customers the opportunity to provide input. I look forward to hearing from you on this matter.

Sincerely,

Marvin Couch

cc/Commissioners J. Terry Deason, Julia Johnson, Joe Garcia,
Diane K. Kiesling