

Commissioners:
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DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
DIRECTOR
(850) 413-6900

Public Service Commission

July 13, 1998

Mr. John D. Baker
1228 N. Waterway Dr.
Barefoot Bay, FL 32976

Re: Docket No. 971663-WS - Petition of Florida Cities Water Company (FCWC) for a limited proceeding to recover environmental litigation costs for its North and South Ft. Myers Division in Lee County and Barefoot Bay Divisions in Brevard County.

Dear Mr. Baker:

Thank you for your letter dated July 6, 1998, concerning FCWC's request to recover litigation costs. The Commission has scheduled a customer service hearing for July 14, 1998 in Barefoot Bay. This customer service hearing will permit customers to provide testimony to the Commission, which will become part of the official record for this case. The Commission will benefit from the testimony and evidence offered by the customers at this service hearing.

In addition to this customer service hearing, the Commission will hold a technical hearing in Tallahassee for the purpose of hearing testimony and evidence from various expert witnesses sponsored by the parties to this proceeding, including the Office of Public Counsel which has intervened on behalf of the citizens. The technical hearing is scheduled for August 12 through 14, 1998. The Commission's technical hearing will also be open to the public.

In your letter, you expressed concern regarding Commission sanction to a statement made by a Mr. Sansbury, at a prior open meeting. You stated that he said, "if you people conserve and cut back on your usage, we will just increase your rates, again." In response to your concern, the Commission is bound by law to consider every rate request made by utilities under its jurisdiction. Pursuant to Section 367.081 (2) (a), Florida Statutes, the Commission shall, either upon request or upon its motion, fix rates which are just, reasonable, compensatory, and not unfairly discriminatory. In doing so, the Commission shall consider the value and quality of the service and the cost of providing the service.

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Regarding your request to have the July 14, 1998 customer service hearing for Barefoot Bay canceled and rescheduled for the fall, please be advised that once a petition is filed by a utility, a case schedule is set in order to process the case in a timely manner. The case's schedule is subject to the Commissioners' calendar availability, including the scheduling of customer service hearings. Please note that any FCWC customer of record may relay his/her concerns regarding this rate request, in writing, to the Commission. In such an instance, this written correspondence would be placed on the correspondence side of the docket file, where it would be available for review.

Lastly, your letter has been placed on the correspondence side of the docket file, where it will be available for review. Thank you again for communicating your concerns with us.

Sincerely,



Bill Lowe
Assistant Director

BL:sbf

cc: Division of Water and Wastewater (Fletcher)
Division of Legal Services (Gervasi, Vaccaro)
Division of Records and Reporting
Mr. Kenneth Gatlin, Esquire
Mr. Harold McLean, Esquire

MARSHAL ✓

JUL 9 1998

Florida Public Service Commission
Division of Water and Wastewater

July 6.1998

Public Service Comm.Of Florida.

Dear Commission Members;

Re;Florida Cities Water Co.Increase--Docket #971663-WS

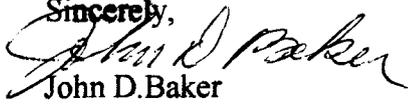
It is completely unreasonable to allow Florida Cities Water to raise their rates in order to cover their expense in defending themselves against the governments charges of nonconforming with regulations.

Going by the fines they have to pay,FWC was apparently guilty of nonconformance to the E.P.A. or whoever is responsible for enforcing the regulations. There is no way that the consumer should have to pay for the expense they had trying to justify a wrong. The amount is also outrageous,two point two five (2.25) million dollars.

F.C.W. attitude towards us as consumers is way out of line.Mr, Sansburys' statement at an open meeting that was held at the Bay was to say the least,outrageous.He said that if you people conserve and cut back on your useage we will just increase your rates again.Is that an attitude that is accepted by the Commission?It shows contempt on their part as far as I am concerned.

You also have an open meeting scheduled for Barefoot Bay on July 17th,at a time when about half (50%) of the residents are away for the summer.I know that the residents feel that this was done on purpose and the meeting should be cancelled untill the fall. That is if you people have any feeling for the residents of Barefoot Bay.

Sincerely,



John D.Baker
1228 N. Waterway Dr.
Barefoot Bay,Fl 32976