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MAIL ROOM

J.C.SALMONS

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Telephone 407-851-7054

Re: Docket No. 990872-
Order No, PSC-99-1609-SC-WU
Issued: August 17, 1999

The following comments have been prepared in response to a Show Cause Order and in rebuttal of complaints and allegations directed against Wellaqu Co. and the subject of Commission Action against Wellaqu Co. The Commission Action involves two distinct issues which will be addressed seperately.

First Issue

Subject: CUSTOMER SERVICE at 6710Mae Lane, Homosassa, FL 34446

PRESENT STATUS:

New customer has complied with Wellaqu's insistance on the installation of a check valve between the meter and the residence and service was resumed immediately upon disconnection of the residence from the private well even though customer had not yet complied with tariff regulation as regards written application and payment of hook-up fees.

BACKGROUND:

The allegations of denial of service to a new owner for reasons of an outstanding bill owed by the previous owner are untrue.

Furthermore, the attribution of such information to me personally as the source is a gross misstatement of fact. I treat all my active customer accounts as confidential. I do not discuss or divulge details of customer accounts or arrearages to anyone outside the company, nor would I permit or condone any employee to do so.

The reason for Wellaqu's denial of service to the address in question was to protect the remaining customers from contamination from an unapproved private well which was improperly connected to the residence in question. One of the previous owners of that residence (and possibly still a part owner-who can tell?), who now lives next door and owns and resides on the property on which the private well is located, and who is a sibling of the present owner and perhaps the true source of your misinformation and untruthful complaints against Wellaqu Co., has been well aware of this fact, and was notified in writing approximately two years ago that the connection of the private well to the former residence was improper and should be corrected. When it was not corrected Wellaqu Co. endeavored to engage the Citrus County Public Health Dept. to force the owner to comply with local regulations and connect exclusively to Wellaqu's

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FPSC-RECORDS/REPORTING

central water supply system. After three personal visits to the Health Dept. proved to be ineffective, a letter was sent by Wellaquia as a formal request for the Health Dept. to use their legal powers to force compliance. The Health Dept., for unexplained reasons, chose not to act, although the situation involved the very serious matter of potential contamination of all the residences served by the Wellaquia system.

When all our entreaties failed to produce the action Wellaquia deemed was in the best interest of its customers, and because of apparent tampering to the shut-off valving associated with the meter, Wellaquia had the meter removed from its box to prevent the possibility of backflow from the private well into Wellaquia's system (which would have occurred through faulty or tampered with valves at any time the system pressure in Wellaquia's line dropped below that of the pressure produced by the pump on the private well.) It should be noted here that no backflow prevention device was installed at the residence in question, and Wellaquia insisted that one be installed prior to reinstatement of service. At the time of removal, the residence was vacant. The tenant had been refused service for an unpaid bill after he continued use of water from the private well. This occurred about two years ago. Upon notification that a new tenant was in residence a new meter was installed. This was in late May of this year, No connection could be made by Wellaquia to the residence supply line, because of residence line damage as well as not having an installed back-flow prevention device. Those parts of the supply system to the customer are the responsibility of the customer. The current real estate property manager, was notified that Wellaquia was not qualified to complete the connection to the residence and that a qualified, licensed plumber would be required to install a check valve and make the connection to the meter. The property manager denied any prior knowledge of the condition of the residential supply piping or the requirement that a check valve be installed. Normally, one of the functions of a real estate office involved in the sale or transfer of ownership is to check on the availability of utility services and notify the prospective owner of any deficiencies or problems. The initial real estate listing office for this property was aware of the situation, but in the course of time other agents who were not so well versed in their responsibilities apparently became involved in the sale and did not notify the prospective buyers of the owner-modified and defective plumbing at subject residence.

This new owner would have had no problem at all had he given Wellaquia a properly enunciated phone message or written a letter. His initial request was taken as a demand for immediate service for a Mr. **Raymon** (who said to call him immediately as he was leaving town *-but he left no phone number!*). Our helper who took this message did not bother to make a permanent record as she expected an immediate return call. None came while she monitored the phone. A later call came from an *unidentified* source saying, "maybe it would help if I left my phone number". These calls, taken by different people weren't connected until comparing notes much later.

Under the circumstances present at that time (plumbing deficiencies discussed above) Wellaquia could not have made an immediate connection even if all the new equipment necessary was on hand and the prospective customer had called Wellaquia's emergency beeper number which is noted on all customer's bills and was available to him via his sister. Had he but tried the emergency number he would have reached a real

estate agent familiar with the past service problems at that address and who would have informed him that improper plumbing existed that would forstall resumption of service until corrections were instituted.

Wellaqua regards the complaints as frivolous and totally without merit or truthfulness. They did not come from a prospective customer as has been defined in our commission notices as one who has made a written request for service. Wellaqua feels the complaintant is involved in an effort to discredit Wellaqua due to a dispute with his sibling over service to the same address two or three years ago when she and her former husband were owners of the property and who had modified the residence plumbing so that it was simultaneously being supplied by the Lucky Hills (now Wellaqua) system and a private well. Local code and deed restrictions require that private wells can only be used for swimming pools or for irrigation purposes,

The new owner of the property has *never* met or spoken to Mr. Salmons as alledged in the complaint. Neither has he made a written request for service. However, Mr. Salmons has personally seen to it that service has been available to tenants of the residence immediately upon removal of the potential source of contamination to the Wellaqua system. We feel that our actions in this situation were rightfully taken upon our conviction that we have a moral responsibility to protect the health of our friends and customers and we also maintain that all legal requirements per our tariff were fulfilled in the process.

Remarks Submitted in Response to Issue #2---
Failure of Wellaqu Co. to file Timely Annual Reports.

The following comments concern the second issue--- that of annual reports. First, we acknowledge that no reports have yet been sent. We have been in the process of trying to reconstruct our records for over two years. This has been a very difficult task which has been compounded by computer storage drive failures wherein we have lost work in preparation , causing us to repeat months of reconstruction efforts.

What we thought was to be a part time job to keep busy in retirement years has turned into a full time nightmare


We were previously in contact with your legal branch who were very helpful and understanding of our difficulties. We had explained that our records were delayed for three extenuating reasons: One, we were unsuccessful in getting the previous owner of the utility to relinquish records of the operations prior to our take-over which were necessary to fulfill the requirements in your reports. Two, we suffered a catastrophic fire in which nearly all efforts to reconstruct records directed toward establishing a basis for fulfilling the requirements of the 1995 report, even in the absence of any prior data from Lucky Hills, were irretrievably lost. Third, a major loss occurred when the principal force within the company, Jerome Salmons, Sr., died. Although he was not listed as the owner, he was nevertheless, the principal decision maker and one who was helping to prepare, maintain and reconstruct records. The loss of his recollections and knowledge of where certain applicable record copies might be located, has imposed severe constraints on the schedule for completing our reporting sfforts. Due to his death we have had to try to train ourselves and others in bookkeeping methodology and the ins and outs of computer financial software programs. Because of these problems, we have been extensively delayed in putting together an initial report for 1995 which is necessary before we can report for the following years.

In spite of these difficulties we have made considerable progress in our efforts to use those customer payment records and check stubs which were not destroyed to construct operating results for the delinquent report years. This progress was interrupted recently with failure of an Iomega Zip drive disk on which computerized copies of our reconstructed records were stored. This has meant a temporary return to manual record construction until such time as we can determine if our disk data can be recovered.

Our efforts would be aided immensely if we could get copies of the Lucky Hills Co. annual submissions for two or three years prior to 1995. If the pertinent parts of these records could be transferred to the report forms for the years 1995 and later, it would enable us to report more accurately and more quickly.

Will you please take this as an official request for your staff to send us those records? If some other office needs to be contacted in this regard, will you please see that we receive notice of the person/office having jurisdiction and responsibility for the requested records.

Respectfully yours,



Jerome C. Salmons, Jr., Owner
Wellaqua Co.

Dated: Aug 26, 1999