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**ORIGINAL**

32909 Crooked Oaks Ln  
Leesburg, FL 34748  
August 22, 2005

Director  
Division of Commission Clerk and Administrative Service  
Florida Public Service Commission  
2540 Shumard Oaks Boulevard  
Tallahassee, FL 32399-0850

RECEIVED - FPSC  
AUG 25 AM 10:05  
COMMISSION  
CLERK

: Application for Transfer of Majority Organizational Control of Utilities, Inc.,  
to Hydro Star, LLC.

Dear Sirs:

As a Customer of Utilities, Inc. Of Pennbrooke, I have an issue with the proposed transfer of the water and wastewater utility to Hydro Star, LLC.

On May 15, 2001, the Florida Public Service Commission approved a new rate structure for Pennbrooke Utilities, Inc. effective August 1, 2001. Included in this new rate structure was revenue of \$25,000 per year to be expended on future water conservation programs. Pennbrooke Utilities, Inc. made no known expenditures for water conservation.

Ownership was transferred to Utilities, Inc. of Pennbrooke in October, 2003. I assume since the rate structure has not changed since August 1, 2001, the \$25,000 per year of revenue for water conservation programs is still being collected by Utilities, Inc of Pennbrooke.

To date Utilities, Inc. has made no known expenditures for water conservation programs at Pennbrooke Fairways. Enclosed is a letter I wrote to Utilities, Inc. In February, 2004. To date I have received no reply.

- CMP \_\_\_\_\_
- COM \_\_\_\_\_ I realize \$25,000 per year is not a large amount, but in the past four years over \$100,000 has been
- CTR \_\_\_\_\_ collected from the water customers living in Pennbrooke Fairways. To date, no known
- ECR 1 \_\_\_\_\_ conservation expenditures have been made.
- GCL 1 \_\_\_\_\_ I fault the Florida Commission and Staff. The Commission ordered rates to include revenue to be
- OPC \_\_\_\_\_ expended on water conservation. It appears there was no effort to check to see if any
- RCA \_\_\_\_\_ conservation programs were actually undertaken.
- SCR \_\_\_\_\_ Pennbrooke Utilities and its parent, Florida Leisure have no remaining liability on this issue but I
- SGA \_\_\_\_\_ believe Utilities, Inc. of Pennbrooke has a legal as well as a moral obligation to provide water
- SEC 1 \_\_\_\_\_ conservation programs to the customers at Pennbrooke Fairways. Utilities, Inc. has collected in
- OTH \_\_\_\_\_ excess of \$45,000 in revenue and continues to collect approximately \$2000/month specified for

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A condition of the transfer of control should be all revenues specified and collected for water conservation since October, 2003, including future collected revenue, be expended on such programs or refunded to the customers.

Since this transfer is of majority organizational control, the operations of Utilities, Inc. of Pennbrooke should not be affected and any water conservation programs started prior to the transfer should be unaffected.

Water conservation efforts are needed in Florida. Here is an example of good thought but poor execution. Don't let this opportunity slip away again.

Thank you for allowing me to comment. Timely action and a written response to this concern would be greatly appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael R. Chase". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Michael R. Chase

32909 Crooked Oaks Ln  
Leesburg, FL 34748  
February 3, 2004

Utilities Inc. of Pennbrooke  
Customer Service Department  
200 Weathersfield Avenue  
Altamonte Springs, FL 32714

COPY

: Pennbrooke Water & Waste Water Systems

Dear Sirs:

I am a customer of Utilities, Inc of Pennbrooke living in Pennbrooke Fairways and have several items or issues which I would like to discuss with you.

The first item concerns the discharge of the waste water system. I believe at least a portion is discharged to a holding basin and then used to irrigate the golf course. I feel this is a perfect use for the waste water and should be continued. My concern is the monetary issue. Neither Utilities, Inc. or The Club at Pennbrooke Fairways Golf Course should subsidize the other. With the previous owner's poor accounting and also ownership of both the wastewater system and the golf course, I'm not sure if anyone, including the owner, knew whether subsidization was occurring. It may or may not have been handled correctly in the past-- I just want to make sure the future is correct.

The second issue concerns conservation. I was pleased to see your web site addresses your efforts in this area. In the final order of the Florida Public Service Commission during the last Pennbrooke Fairways water and wastewater rate case, an additional \$25,000 per year was added to the rates. This \$25,000 per year was to be expended on water conservation efforts. I'm not sure what the previous owner of the utility system did with this added revenue as there were little or no visible conservation efforts. Again, this is the past and I am interested in the future. I assume the \$25,000 per year for water conservation remains in the rates. It would appear your company has the knowledge and experience to make good use of this revenue in the manner intended by the Commission. From my experience in conservation programs, \$25,000 per year is not a large amount, but I believe it can be prudently used to further improve Florida's water problems. Specifically, I would like you to address what your future plans are for water conservation programs in Pennbrooke Fairways.

The third issue is the pressure problems in certain parts of the community. I live in the Oakwood section and do experience low water pressure during certain time of the day on certain days. I'm sure you have had much input on the issue and the issue will be at the forefront of the Home

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Owners Association meeting your staff will be attending later this month. As an engineer, I know there are only four potential causes: supply pressure, elevation, flow or pipe size. I will assume supply pressure at the water pumping and pressurizing station is adequate and not a source of the problem. While major changes may be necessary, I believe changes in the vegetation irrigation schedule may help the problem. In my opinion, the problem has become worse since Oakwood section started the program where the entire section has irrigation allowed on the same day. The old schedule called for the even side of the street on one day and the odd side on a different day. While the current schedule has Oakwood section irrigation on different days from much of the rest of the community, I believe it may be creating a localized problem. If major capital changes are necessary, the residents should be aware that a rate increase may be necessary to pay for the capital improvements and all residents not just those in Oakwood section will pay for the improvements. While the pressure problem is an inconvenience, I do have a concern about adequacy of water pressure for fire control. It appears you also have a concern as I observed what appeared to be a pressure recording device connected to a fire hydrant in Oakwood section. Adequate water pressure at all times for fire control is not a choice but a necessity. The issue needs to be fully defined and investigated before any major capital expenditures are made.

I appreciate your time in allowing me to address my concerns. I will be looking forward to your replies and also your attendance at the Home Owners meeting.

Very truly yours,

Michael R. Chase

Michael and Sharon Chase



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