

MEMORANDUM

August 28, 2007

TO: DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES

FROM: OFFICE OF THE GENERAL COUNSEL (GERVASI) *f.z. for RG*

RE: DOCKET NO. 060368-WS - APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES IN ALACHUA, BREVARD, HIGHLANDS, LAKE, LEE, MARION, ORANGE, PALM BEACH, PASCO, POLK, PUTNAM, SEMINOLE, SUMTER, VOLUSIA, AND WASHINGTON COUNTIES BY AQUA UTILITIES FLORIDA, INC.

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Please file the attached e-mail from Roxanne Levingston to Rosanne Gervasi, dated August 27, 2007, including the List of Aqua Positions in the above-referenced docket.

DATE FILED WITH CLK 8/28/07

RG/PZ  
Attachment

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GCL 1  
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DOCUMENT NUMBER - DATE  
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FPSC - COMMISSION CLERK

**Rosanne Gervasi**

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**From:** Roxanne Levingston [roxanne@reuphlaw.com]  
**Sent:** Monday, August 27, 2007 3:27 PM  
**To:** Rosanne Gervasi  
**Cc:** Charles Beck; cecilia.bradley@myfloridalegal.com  
**Subject:** Docket No. 060368-WS  
**Attachments:** Aqua 082507 Positions (2)2707.doc

Rosanne - - attached is the final agreement between the parties for the resolution and disposition of the Staff Recommendation to be considered by the Commission in Docket No. 060368-WS at the August 28, 2007 Agenda Conference.

Ken Hoffman

**Issue 1:** The parties agree that oral argument should be granted consistent with the staff recommendation.

**Issue 2:** The parties agree that Issue 2 will be rendered moot by the filing by AUF of a Notice of Voluntary Dismissal which AUF will file by no later than 5:00 p.m. on August 27, 2007.

**Issue 3:** The appropriate water and wastewater rates for AUF are those rates in effect prior to the filing by AUF of its Application for Increased Water and Wastewater Rates on December 1, 2006.

**Issue 4:** AUF will refund interim revenues collected, with interest, pursuant to Rule 25-30.360, Florida Administrative Code, and AUF will file appropriate refund reports.

**Issues 5, 6 and 7:** With respect to Issues 5, 6 and 7, AUF agrees to make a voluntary contribution of \$50,000.00 to contributions-in-aid-of-construction to benefit all AUF customers under the jurisdiction of the PSC.

In addition, AUF makes the following commitments:

- (1) The Company commits to complying with Rule 25-30.261(1) F.A.C., Meter Readings, and will add the topic as a formal agenda item to its weekly management meetings.
- (2) The Company commits to accurately stating on customer bills whether bills reflect actual or estimated meter readings.
- (3) The Company commits to the implementation of the following proposal and plan to enhance the quality, timeliness and efficiency of its customer service:

a. The Company will work with Staff to cooperatively set up single channel at the Company for the sole purpose of answering customer complaints in the most timely manner. AUF commits to answering all complaints that are filed within a mutually agreed upon channel within the fifteen day deadline set forth in Rule 25-22.032(6)(b), Florida Administrative Code.

b. The Parties will hold monthly meetings for a six month period, i.e. from September 1, 2007 through February 29, 2009, in order to work together to review the complaint process and response time performance (and any other service quality issues that may arise in the future).

c. The Parties agree to discuss and monitor call center inquiries and the interaction of AUF's call center with its customers at the monthly meetings. The Company commits to ensuring that its customer service representatives are courteous, properly trained, and responsive to all customer inquiries.

d. The Company commits to holding a series of town meetings in its service areas that will facilitate better communication between the Company and its customers. The Company will provide education on improvements that it has made and will make in the future and address any water quality issues raised by customers. The Company commits to promptly following up with customers that raise complaints or issues at these town meetings.

The parties do not waive any of their rights, including but not limited to their right to seek remedies for future rule violations, on account of the commitments made by the company.

**Issue 8:** The Parties agree that this docket should be closed.

**Additional Matter Raised by AUF:** In this Docket, Staff witness Stallcup has filed testimony endorsing the implementation of some form of rate consolidation in the future for AUF. Mr. Stallcup presented two alternatives for rate consolidation which differed from AUF's proposal to consolidate rates on a county-wide basis. Staff witness Stallcup explained that his proposals to effect some level of rate consolidation for AUF were intended to "accomplish the desirable goals of rate consolidation without imposing excessive cross-subsidies" while also addressing the affordability of rates.

Consistent with the concepts advanced by Mr. Stallcup, AUF will request that the Commission hold a Commission and Staff workshop to discuss the matter of rate consolidation by the end of the year. The parties will not object to such a request.

All Parties to this proceeding agree that the Staff Recommendation issued in this docket to be considered by the Commission on August 28, 2007 should be resolved as specifically set forth above.