

Ruth Nettles

From: DAVIS.PHYLLIS [DAVIS.PHYLLIS@leg.state.fl.us]
Sent: Tuesday, June 03, 2008 4:14 PM
To: Filings@psc.state.fl.us
Cc: Jean Hartman; MERCHANT.TRICIA; REILLY.STEVE
Attachments: Petition on Proposed Agency Action 6-3.pdf

Electronic Filing

a. Person responsible for this electronic filing:

Stephen C. Reilly, Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330
Reilly.steve@leg.state.fl.us

b. Docket No. 070601-WU

In re: Application for staff-assisted rate case in Pasco County by Orangeland Water Supply.

c. Document being filed on behalf of Office of Public Counsel.

d. There are a total of 6 pages.

e. The document attached for electronic filing is **OPC's Petition on Proposed Agency Action**

Thank you for your attention and cooperation to this request.

Phyllis W. Philip-Guide
Secretary to Stephen C. Reilly, Associate Public Counsel.
Office of Public Counsel
Telephone: (850) 488-9330
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*Updated
6/3/08
RWN*

DOCUMENT NUMBER-DATE

04736 JUN-3 8

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for staff-assisted rate case in
Pasco County by Orangeland Water Supply.

DOCKET NO. 070601-WU

FILED: June 3, 2008

PETITION ON PROPOSED AGENCY ACTION

The Citizens of the State of Florida ("Citizens") by and through their undersigned attorney, pursuant to Section 120.57, Florida Statutes, and Rules 25-22.029 and 28-106.201, Florida Administrative Code, file this objection to the Florida Public Service Commission's ("Commission") Order No. PSC-08-0309-PAA-WU ("Order"), issued May 13, 2008, and state:

1. The name and address of the agency affected and the agency's file number:

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
Docket No. 070601-WU
2. The Citizens include the customers of Orangeland Water Supply ("Orangeland", "Utility", or "Company") whose substantial interests will be affected by the Order because the Order authorizes the Utility to increase the rates and charges it imposes upon its customers.
3. Pursuant to Section 350.0611, Florida Statutes, the Citizens' who file this petition are represented by the Office of Public Counsel ("Citizens",

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

“Petitioner” or “OPC”) with the following address and telephone number:
Office of Public Counsel, c/o the Florida Legislature, 111 West Madison
Street, Room 812, Tallahassee, Florida 32399-1400. Telephone No. (850)
488-9330.

4. The Citizens received a copy of the Order by inter-office courier on May 14, 2008.
5. At this time the ultimate facts alleged, including the specific facts which the Citizens contend warrant reversal or modification of the agency’s proposed action are as follows:

Utility’s Attempt to Address Customer Satisfaction

a. The Citizens protest the allegations made in the Order that the customers did not have an issue with a possible 800 percent increase in their water cost. To the contrary, the customers are very concerned with the extent of the increase and particularly the portion of the increase caused by the repression adjustment proposed in the Order.

Repression Adjustment

b. The Citizens protest all of the language in the Order with regard to the repression adjustment and protest all of the repression adjustments made to the revenue requirement and rates determined by the Commission to be appropriate in this case. Specifically, the Order incorrectly estimates that under the particular facts of this case the average residential monthly consumption per customer connection of about 6,600 gallons will be reduced by more than half as a result of imposing the pre-

repression rates on the Orangeland customers. Staff has determined the pre-repression rates to be a \$14.86 base facility charge (5/8" x 3/4" meter), a \$1.92 per 1,000 gallons for the first 5,000 gallons and \$2.40 per 1,000 gallons for over 5,000 gallons. The Commission's estimate that residential water will be reduced by 53% per year is erroneous. This erroneous estimate of repressed consumption that might result from imposing the above pre-repression rates on the Orangeland customers causes an extraordinary increase to become an exorbitant increase. Applying the above erroneous repression adjustment provided in the Order produces post-repression rates with a \$14.36 base facility charge (5/8" x 3/4" meter), \$ 4.29 per 1,000 gallons for the first 5,000 gallons and \$5.36 per 1,000 gallons over 5,000 gallons. For example, a customer who uses 6,000 gallons per month, the post-repression bill would be over 50% higher than the pre-repression bill. The Citizens protest the repression adjustment and the post-repression rates provided in the Order as a result of applying the repression adjustment.

6. The foregoing matters involve disputed issues of material fact.
7. Order No. PSC-08-0309 PAA-WU establishes June 3, 2008, as the date by which protests must be filed.

8. Section 367.081, Florida Statutes, is a specific statute the Citizens contend requires reversal of the agency's proposed action.

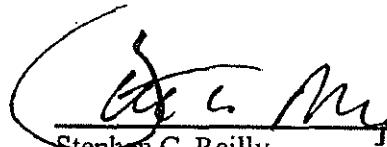
9. The Citizens seek the Commission to take the following action with respect to the agency's proposed action:
 - a. Do not apply any repression adjustment in this case until after the customers have paid for one full year of water service utilizing the pre-repression rates.

 - b. After one full year of billing data has been collected using the pre-repression rates, the Commission's Staff should file a recommendation with the Commission concerning any adjustment that should be made to the pre-repression rates in order to give the Company an opportunity to collect the Staff estimated post-repression revenue requirement that is equivalent to the pre-repression revenue requirement provided in the Order.

 - c. This docket should remain open in order to accomplish the above repression true-up, after collection of one year of actual pre-repression billing information.

WHEREFORE, the Citizens hereby protest and object to Commission Order No. PSC-08-0309-PAA-WU as provided above, and petitions the Commission to conduct a formal evidentiary hearing, under the provisions of Section 120.57 (1), Florida Statutes, and further petitions that such hearing be scheduled at a convenient time within or as close as practical to the Utility's certificated service area.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen C. Reilly", is written over a horizontal line. The signature is enclosed in a large, hand-drawn circle.

Stephen C. Reilly
Associate Public Counsel

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400

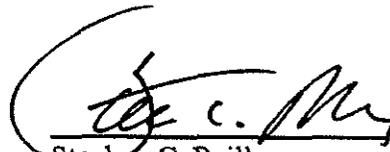
Attorney for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE
DOCKET NO. 070601-WU

I HEREBY CERTIFY that a true and correct copy of the foregoing Citizens' Petition on Proposed Agency Action has been furnished by electronic mail or facsimile and U.S. Mail to the following parties on this 3rd day of June, 2008.

Jean Hartman, Esquire
Florida Public Service Commission
Division of Legal Services
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Orangeland Water Supply
2109 Overview Drive
New Port Richey, FL 34655-4131



Stephen C. Reilly
Associate Public Counsel