

LAW OFFICES
ROSE, SUNDBSTROM & BENTLEY, LLP
2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FLORIDA 32301

FREDERICK L. ASCHAUER, JR.
CHRIS H. BENTLEY, P.A.
ROBERT C. BRANNAN
F. MARSHALL DETERDING
JOHN R. JENKINS, P.A.
KYLE L. KEMPER
STEVEN T. MINDLIN, P.A.
CHASITY H. O'STEEN
DAREN L. SHIPPY
WILLIAM E. SUNDBSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON
ROBERT M. C. ROSE (1924-2006)

(850) 877-6555
FAX (850) 656-4029
www.rsballorneys.com

REPLY TO CENTRAL FLORIDA OFFICE

CENTRAL FLORIDA OFFICE
SANLANDO CENTER
2180 W. STATE ROAD 434, SUITE 2118
LONGWOOD, FLORIDA 32779
(407) 830-6331
FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.
BRIAN J. STREET

CHRISTIAN W. MARCELLI, OF COUNSEL
(LICENSED IN NEW YORK ONLY)

September 3, 2008

E-FILING

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 070694-WS; Wedgefield Utilities, Inc.'s Application for Increase in
Water Rates in Orange County, Florida
Our File No.: 30057.151

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket is a supplemental response from Wedgefield Utilities, Inc. (the "Utility") regarding Staff's August 8, 2008 letter requesting responses to issues raised at the August 5, 2008 customer meeting. Staff has requested information regarding backup power generation, hurricane-related outages and procedures for issuing boil water advisories.

Backup Power and Hurricane-related Outages

The Wedgefield water treatment plant's generator is designed to start automatically whenever there is a loss of power. It then feeds emergency power through an automatic transfer switch to the plant's electrical equipment until normal power is restored or the generator fails for some reason. The Utility's generator is exercised under load for at least one hour each week as per Department of Environmental Protection ("DEP") regulations. In addition, routine maintenance is performed on the generator as needed throughout the year and preventative maintenance is performed semi-annually by trained technicians. DEP did not note any deficiency in the most recent sanitary survey, provided as part of the additional engineering documents of the MFRs submitted with the Utility's application.

According to the Utility's records, the last two instances where a power outage occurred and the water treatment plant generator failed to run were in August and September of 2004 in connection with Hurricanes Charley and Frances sweeping through central Florida. When Hurricane Charley struck on Friday, August 13, 2004, a circuit board failed in the generator panel causing an extended water outage to occur at that time. A number of hours passed before the Utility was able to get the generator to run properly and restore pressure in the distribution system. Due to the widespread devastation that impacted the Orlando Utility Commission's ("OUC") service area at that time, OUC did not restore normal power for a couple of days. The Utility was able to maintain system pressure during that time interval.

Before the Utility was able to complete permanent repairs to the generator panel after Hurricane Charley, which entailed the replacement of electrical components, Hurricane Frances struck central Florida on September 5, 2004 and caused another power outage and loss of pressure. In that instance, the Utility's operator was able to manually start the generator and transfer power once he arrived at the plant site. The outage lasted only a short while. In both instances, the customers were notified through the media, primarily radio and television stations, which were very good at repeatedly delivering the messages and updating the status of the precautionary boil water advisories. Once DEP received the results of the water samples, the boil water advisory was lifted and the customers were notified through the media.

There was no problem with the operation of the water treatment plant's generator when Hurricane Jeanne impacted the area on September 26, 2004 or in any subsequent storms over the last four years.

Boil Water Advisory Procedure

With respect to the utility's procedure when a system-wide loss of pressure occurs or when pressure drops below 20 psi, the Utility notifies DEP immediately of the situation and then follows DEP's rule regarding customer notification. In the case of Wedgfield, it is customary to send a news release to the media and request that various local radio and television stations broadcast a precautionary boil water advisory ("BWA") in the greater Orlando area that includes Wedgfield. Additionally, the Utility utilizes a reverse-911 calling system to deliver a pre-recorded message to customers that describes who is calling, the reason for the call, and the precautionary steps that customers may take to minimize health risk. The Utility also posts signs at the entrances to the neighborhood. Because of the large number of customers in Wedgfield, it is

appropriate to use the media, reverse-911 and street signage to communicate the BWA to the customers. In the event of a more localized scheduled or unscheduled water outage, customers are notified by door hanger in addition to reverse-911. Once DEP lifts the BWA, the utility again notifies the customers. Past experience with the use of the reverse-911 system indicates that about 70-80% of the customers are reached in this manner, and therefore, it is an excellent tool to deliver timely information to the majority of the customers.

Should you have any questions regarding this filing, please do not hesitate to contact me.

Very truly yours,



CHRISTIAN W. MARCELLI
Of Counsel

CWM/tlc

cc: John Hoy, Chief Regulatory Officer (via e-mail)
Rick Durham, Regional Vice President for Operations (via e-mail)
Patrick C. Flynn, Regional Director (via e-mail)
Ms. Kirsten E. Weeks (via e-mail)
Ms. Deborah Swain (via e-mail)
Mr. Frank Seidman (via e-mail)

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