Application for a Rate Increase in Pinellas County by
Mid-County Services, Inc.

Docket No. 060254-SU

Mid-County Services, Inc. (Mid-County or utility) is a wastewater utility serving approximately 2,144 wastewater customers in Pinellas County. Mid-County recently filed an application for approval of interim and permanent rate increases. The utility’s last rate case was in February 2004.

In order to recover operating costs and provide the opportunity to earn a fair rate of return, Mid-County requested interim rates of 12.18% for its wastewater system. On July 18, 2006, however, the Commission approved an interim rate increase of $142,169 or 10.21% for wastewater.

The utility also requested an increase in its final rates of 27.13% (a revenue increase of $377,730) for wastewater. The Commission suspended the final rates in July in order to further investigate the company’s request. When the final rates are established, customers may receive a refund if the final revenue requirement is less than the approved interim amount.

As part of the process of evaluating Mid-County’s rate request, the Public Service Commission (PSC) staff conducts a customer service meeting to allow customers the opportunity to express their concerns about the utility and the requested rate increase. Customer comments, written and oral, are taken into consideration to assist the Commission in reaching its decision.

Additionally, the PSC staff will audit the utility’s records for compliance with applicable rules and orders. A PSC staff engineer will also conduct a field investigation of Mid-County’s plant and service area. In accordance with Florida Statutes, the Commission will consider the utility’s quality of service and other matters in this case.

This rate case is being processed under the PSC’s “Proposed Agency Action” (PAA) procedure. The PSC staff is scheduled to make a recommendation on the final rates to the Commission on January 10, 2007, and the Commissioners are expected to vote on the matter at the January 23, 2007, Agenda Conference. Under the PAA process, the case will only be set for a formal hearing if a timely protest to the Commission’s proposed agency action is filed.

Customer Meeting

Wednesday, October 18, 2006
6:00 p.m.
William E. Hale Activity Center - Ballroom
330 Douglas Avenue
Dunedin, Florida

For more information:

For technical questions:
Jay Revell  (850) 413-6425
Troy Rendell  (850) 413-6934

For legal questions:
Rosanne Gervasi  (850) 413-6224

For general questions, contact:
Dick Durbin  (850) 413-6121
Or call toll-free 1-800-342-3552
(1-800-511-0809 to fax)
E-mail: contact@psc.state.fl.us
Internet Home Page: www.floridapsc.com
Lisa Polak Edgar was appointed by the Florida Public Service Commission Governor Jeb Bush for a four-year term beginning January 2005; she assumed the chairmanship at the PSC in January 2006. Chairman Edgar is a member of the National Association of Regulatory Utility Commissioners telecommunications committee and was appointed by the Federal Communications Commission to the Universal Service Joint Board for a three-year term beginning November 2005. Prior to her appointment, Chairman Edgar served as Deputy Secretary for Planning and Management for the Florida Department of Environmental Protection (DEP) from August 1999 through January 2005. Her responsibilities at DEP included oversight of the agency’s $2.1 billion budget, fiscal and strategic planning, accountability measures, information technology, administrative services, and coordination between the state and federal government on environmental issues, including the Florida Mine and Surface Mining Act and the State Mining Act.

Prior to his service with the Federal Energy Regulatory Commission, Chairman Edgar was Chief Counsel for Outer Continental Shelf (OCS) Policy at the State of Florida, where he served as the Commission’s primary liaison on all nuclear energy matters for over three years. Additionally, he was instrumental in drafting the Commission’s regulations governing the exploration and development of oil and gas resources on the OCS. Chairman Edgar also served as the Commission’s liaison on all energy related issues and represented the state at the Department of Energy and on the Federal/State Joint Conference on Accounting, and the Federal/State Joint Board on Economic Dispatch for the Southern Region. Chairman Edgar also serves as the Commission’s liaison on all energy related issues and represented the state at the Department of Energy and on the Federal/State Joint Conference on Accounting, and the Federal/State Joint Board on Economic Dispatch for the Southern Region. Chairman Edgar also served as the Commission’s liaison on all energy related issues and represented the state at the Department of Energy and on the Federal/State Joint Conference on Accounting, and the Federal/State Joint Board on Economic Dispatch for the Southern Region.

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Consumer Statements at PSC Meetings

The Commission is interested in what consumers have to say about the application for a rate increase in Pinellas County by Mid-County Services, Inc. The main purpose of the meeting is to receive comments from the public.

Anyone may make a statement, and speaking is an effective way to let the Commission know how you feel about the case under review. At the beginning of the meeting, procedures will be set up to establish an order for comments. PSC staff will have sign-up sheets that will be used to call consumers to speak. PSC staff will also be available to coordinate consumer comments and assist members of the public.

Any person who wishes to comment or provide information to the PSC staff regarding this matter may do so at the meeting, orally or in writing. Written comments also may be mailed to: Florida Public Service Commission, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, or faxed to 1-800-511-0809. Correspondence will be placed in the file of this docket (Docket No. 060254-SU). For your convenience, a comment form is attached to this Special Report.

Any person who wishes to obtain a copy of the recommendation or the order may do so by writing to: Florida Public Service Commission, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, or by going on-line at www.floridapsc.com.

Florida Public Service Commission

2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

The Public Service Commission provides a staff of information specialists who are available to answer questions from Florida consumers.

To reach a consumer representative, please call the Public Service Commission during business hours at 1-800-342-3552, or send a fax to 1-800-511-0809. See the PSC’s Internet home page at www.floridapsc.com.
## Wastewater Service

### Residential Service

<table>
<thead>
<tr>
<th>Class/Meter Size:</th>
<th>Rates Prior to Filing</th>
<th>Commission Approved Interim Rates</th>
<th>Utility's Requested Final Rates</th>
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</thead>
<tbody>
<tr>
<td>All Meter Sizes</td>
<td>$26.90</td>
<td>$29.65</td>
<td>$34.20</td>
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<tr>
<td>Gallonage Charge (per 1,000 gallons)</td>
<td>$2.59</td>
<td>$2.85</td>
<td>$3.29</td>
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<tr>
<td>Gallonage Charge (Maximum 20,000 gallons)</td>
<td>$3.11</td>
<td>$3.11</td>
<td>$3.95</td>
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### General and Multi-Residential Service (Metered)

<table>
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<th>Class/Meter Size:</th>
<th>Rates Prior to Filing</th>
<th>Commission Approved Interim Rates</th>
<th>Utility's Requested Final Rates</th>
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<tbody>
<tr>
<td>5/8” x 3/4”</td>
<td>$26.90</td>
<td>$28.62</td>
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<tr>
<td>3/4”</td>
<td>$69.03</td>
<td>$73.46</td>
<td>$87.77</td>
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<td>1”</td>
<td>$155.30</td>
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<td>1 1/2”</td>
<td>$276.10</td>
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<td>2”</td>
<td>$621.38</td>
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<td>3”</td>
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<td>$1,175.33</td>
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<td>4”</td>
<td>$2,485.17</td>
<td>$2,644.75</td>
<td>$3,159.79</td>
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<td>6”</td>
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### Gallonage Charge

| Gallonage Charge (per 1,000 gallons) | $3.11 | $3.11 | $3.95 |

### Multi-Residential Service - Flat Rate

<table>
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<tr>
<th>Class/Meter Size:</th>
<th>Present Rates</th>
<th>Commission Approved Interim Rates</th>
<th>Requested Final Rates</th>
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<tbody>
<tr>
<td>Flat Rate (Unmetered)</td>
<td>$59.27</td>
<td>$63.08</td>
<td>$75.36</td>
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</tbody>
</table>
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Name

Address

If you want to let the Public Service Commission know how you feel about this case, you may fill out this comment form and return it by mail, or send a fax to 1-800-511-0809. Correspondence will be placed in the file of this docket.

C O N S U M E R   C O M M E N T S

Fold and tape -- see back for address