

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of LAZY DAYS)	DOCKET NO. 890688-SU
MOBILE VILLAGE for a 1989 price index)	ORDER NO. 21303
adjustment in Lee County.)	ISSUED: 6-1-89

ORDER ACKNOWLEDGING PRICE INDEX RATE ADJUSTMENT

BY THE COMMISSION:

On May 18, 1989, Lazy Days Mobile Village (Utility) notified this Commission of its intention to increase rates to its customers in Lee County by application of the price-indexing provisions of Section 367.081(4)(a), Florida Statutes, and Rule 25-30.420, Florida Administrative Code.

By Order No. 20972, issued by this Commission on March 31, 1989, in Docket No. 890005-WS, the rates of water and sewer utilities are subject to adjustment as a result of the application of the price index to certain utility operation and maintenance costs. The indexing factor is 4.35 percent.

After review of the indexing filing, we find that it meets the Commission's requirements, as set forth in Rule 25-30.420, Florida Administrative Code. In compliance with Rule 25-30.420(6), Florida Administrative Code, the Utility advised us that it will provide notice to its customers prior to the effective date of the rates, informing them of the impending rate adjustment and explaining that the increase is due to the application of the price index to certain operation and maintenance expenses.

Applying increase factors of 1.0404 to the existing rate schedules results in increased sewer revenues of \$1,643. The schedule of our computation is as follows:

<u>1989 Price Index Application</u>	
<u>Test Year Ended December 31, 1988</u>	
	<u>Sewer</u>
1988 Operation and Maintenance Expenses	\$ 42,068
Less: (1) Pass-through Items:	
Purchased Power	(5,241)
(2) Rate Case Expense Included	
in 1988 O & M Expenses	<u>0</u>
Costs to be Indexed	\$ 36,827
Multiply by Change in GNP Implicit	
Price Deflator Index	x <u>.0435</u>
Additional O & M Expenses	\$ 1,602
Divide by Expansion Factor for	
Regulatory Assessment Fees	+ <u>.975</u>
Increase in Revenue	\$ 1,643
Divide by 1988 Annualized Revenues	÷ <u>40,630</u>

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Percentage Increase	<u>4.04%</u>
Increase Factor to Apply to Existing Rate Schedules	<u>1.0404</u>

Rates which will allow the Utility to recognize this increase are as follows:

SEWER (4.04% INCREASE)
Monthly Rate

Residential and General Service

	<u>Existing</u>	<u>New</u>
Flat Rate	\$ 8.10	\$ 8.43

It is, therefore,

ORDERED by the Florida Public Service Commission that the indexing application of Lazy Days Mobile Village, 2524 North Tamiami Trail, Fort Myers, Florida 33903, is hereby acknowledged. It is further

ORDERED that the Utility shall submit revised tariff sheets containing the new rates indicated in this Order. It is further

ORDERED that the rates contained herein shall become effective for service rendered on or after July 17, 1989, subject to approval of revised tariff sheets and customer notice as previously indicated in this Order. It is further

ORDERED that Docket No. 890688-SU shall be closed upon approval of the revised tariff sheets.

By Order of the Florida Public Service Commission,
 this 1st day of JUNE, 1989.

 STEVE TRIBBLE, Director
 Division of Records and Reporting

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by: Kay Flynn
 Chief, Bureau of Records