

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of FLORIDA CITIES)	DOCKET NO. 890509-WU
WATER COMPANY, Golden Gate Division,)	ORDER NO. 22270
for a rate increase in Collier County)	ISSUED: 12-6-89
)	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 JOHN T. HERNDON

ORDER SUSPENDING WATER RATE SCHEDULES
PENDING FURTHER INVESTIGATION

BY THE COMMISSION:

Florida Cities Water Company, Golden Gate Division (utility), is a Class "A" water and sewer utility which provides service to the public in Collier County. The utility was granted its certificates in Docket No. 850278-WS, though Order No. 15608, issued January 30, 1986.

On September 5, 1989, the utility filed an application to increase its water rates. The initial application lacked certain filing requirements and the utility was so notified. On October 23, 1989, an acceptable response was received from the utility and that date became the official filing date for the application.

SUSPENSION OF PROPOSED RATE SCHEDULES

Section 367.081(6), Florida Statutes, provides that the rate schedules proposed by a utility shall become effective within sixty (60) days after filing, unless the Commission otherwise orders.

The utility contends that an increase in its water rates is required because its present rate of return is only 2.83 percent on annual revenues of \$4,075,207. The utility's proposed water rates will increase its annual revenues by \$560,047, and will result in a rate of return of 11.19 percent. The proposed rates will result in an average increase

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in customers' water bills of approximately 76 percent. The utility says that such increase is necessary to enable it to meet the demands associated with projected growth in Collier County during the next several years.

Our review of the utility's application does indicate that the utility plans to significantly expand its water facilities. Nevertheless, since the utility is requesting a significant increase in its water rates, we believe it is reasonable and necessary to require further amplification, explanation and cross examination of the data filed by the utility, as well as additional and/or corroborative data, and schedule public meetings, if necessary, for these purposes.

Accordingly, we find that the water rate schedules proposed by the utility are hereby suspended pending further investigation by this Commission.

It is, therefore,

ORDERED by the Florida Public Service Commission that the water rate schedules proposed by Florida Cities Water Company, Golden Gate Division, are hereby suspended pursuant to Section 367.081(6), Florida Statutes, pending further investigation by this Commission.

By ORDER of the Florida Public Service Commission
this 6th day of DECEMBER, 1989.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

JRF

by: Kay Flynn
Chief, Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.