BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a staff-) assisted rate case in Duval County) by COMMERCIAL UTILITIES, DIVISION) OF GRACE AND COMPANY, INC.

DOCKET NO. 910766-WS

ORDER NO. 25642

ISSUED: 1/27/92

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK J. TERRY DEASON BETTY EASLEY

ORDER GRANTING MONITOR STATUS, CANCELLING WASTEWATER TARIFF, AND AMENDING ORDER NO. 25076

BY THE COMMISSION:

Commercial Utilities, Division of Grace and Company, Inc. (Commercial) is a Class "C" utility located in Duval County. The utility provides service to approximately thirteen general service water customers and thirty-seven general service water and wastewater customers in a mobile home subdivision, Colonial Park, which is owned and operated by Grace and Company, Inc.

The Jacksonville Department of Health and Welfare and Bio-Environmental Service requires Commercial to connect its wastewater plant to the regional sewerage by March, 1992. Commercial elected to interconnect with the City of Jacksonville (City) in January 1991, to alleviate costs associated with newly required water tests and plant improvements. The water system was connected in January 1991.

On January 18, 1991, in Docket No. 910069, Commercial filed an application for a limited proceeding for an increase in water and wastewater rates due to the required wastewater interconnection and the elected water interconnection. By Order No. 25076, issued September 17, 1991, this Commission authorized the utility to implement increased wastewater rates on an interim basis to allow the recovery of costs associated with the wastewater interconnection. Commercial submitted revised tariffs and a customer notice which we approved. Anticipating that the wastewater plant interconnection would take place as scheduled on October 1, 1991, we designated October 17, 1991 as the effective date of the interim wastewater rates.

ORDER NO. 25642 DOCKET NO. 910766-WS PAGE 2

On July 10, 1991, Commercial applied for this Staff-Assisted Rate Case (SARC). Based on our complete audit report dated November 13, 1991, we learned that the wastewater plant interconnection had not taken place due to reasons beyond the utility's control. However, by letter date November 19, 1991, Commercial stated that it has not implemented the interim rate and does not intend to do so until actual interconnection. City employees now estimate that the wastewater plant interconnection will take place between April 1992 and June 1992. Because of the delay in interconnection, by letter dated December 6, 1991, Commercial requested that this Docket be placed in monitoring status until July 1, 1992. Also, Commercial will withdraw its SARC application if the wastewater plant interconnection is not completed by July 1, 1992. Since the date of the interconnection will be determined by the City, not the utility, we grant Commercial's request to place this Docket in monitoring status until July 1, 1991.

By not charging its tariffed rates, approved in Order No. 25076, Commercial is technically in violation of Section 367.081, Florida Statutes. This section sets forth the requirements and procedures relating to rates and states that a utility may only charge rates and charges that have been approved by this Commission. Although Commercial is technically in violation of its tariff, under the circumstances, we have determined that no punitive action is warranted.

Since the utility has not implemented the tariffed rates, the utility's existing wastewater tariff is cancelled. Commercial shall file its wastewater tariff reflecting rates in effect prior to the issuance of Order No. 25076, and upon interconnection, Commercial shall file the revised wastewater tariff reflecting those rates approved in Order No. 25076. The revised wastewater tariff sheets will be approved upon our staff's verification that the tariff is consistent with our decision. Also, Commercial shall submit and have approved a proposed notice to its customers of the increased rates and charges and the reasons therefor.

Since Order No. 25076 requires Commercial to implement the approved interim rates in October 1991, the date of the original interconnection, but the interconnection failed to take place at that time, Order No. 25076 is hereby amended to reflect that the interim wastewater rates shall become effective on or after the date to be filed after interconnection as discussed previously.

ORDER NO. 25642 DOCKET NO. 910766-WS PAGE 3

The interim rates shall, at that time, be implemented for meter readings on or after thirty days from the stamped approval date on the revised tariff sheets.

It is, therefore

ORDERED by the Florida Public Service Commission that Commercial Utilities, Division of Grace and Company, Inc.'s request to place this docket in monitor status until July 1, 1992, is hereby granted. It is further

ORDERED that Commercial Utilities, Division of Grace and Company, Inc.'s existing wastewater tariff is hereby cancelled. It is further

ORDERED that Commercial Utilities, Division of Grace and Company, Inc. shall file a wastewater tariff reflecting rates in effect prior to the issuance of Order No. 25076. It is further

ORDERED that upon interconnection, Commercial Utilities, Division of Grace and Company, Inc. shall file a revised wastewater tariff reflecting those rates approved in Order No. 25076. It is further

ORDERED that Order No. 25076, issued September 17, 1991, is hereby amended to state that the interim wastewater rates shall become effective on or after the date of the wastewater interconnection. The interim rates shall be implemented for meter readings on or after thirty days from the stamped approval date on the revised tariff sheets.

By ORDER of the Florida Public Service Commission, this 27th day of JANUARY 1992

EDVE TRIBULE, Director

Division of Records and Reporting

(SEAL)

NRF

ORDER NO. 25642 DOCKET NO. 910766-WS PAGE 4

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.