

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of) DOCKET NO. 920747-WU
increase in miscellaneous) ORDER NO. PSC-92-0860-FOF-WU
service charge and inclusion of) ISSUED: 08/25/92
wording in tariff on right to)
deny service by FLORALINO)
PROPERTIES, INC. in Pasco County))
_____)

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
J. TERRY DEASON
BETTY EASLEY
LUIS J. LAUREDO

ORDER DENYING TARIFF FILINGS TO INCREASE
MISCELLANEOUS SERVICE CHARGES AND TO
GRANT RIGHT TO DENY SERVICE FOR NONPAYMENT OF
BILLS BY PREVIOUS OCCUPANT BY FLORALINO PROPERTIES, INC.

BY THE COMMISSION:

Floralino Properties, Inc. (Floralino or utility) is a Class C utility providing water service to approximately 717 customers in Pasco County, Florida. According to its 1991 annual report, Floralino had a net operating loss of \$8,008, which resulted in a negative rate of return.

DENIAL OF TARIFF FILING TO
INCREASE MISCELLANEOUS SERVICE CHARGES

On June 15, 1992, Floralino filed a proposed tariff to increase its miscellaneous service charges from the amounts presently allowed to: \$30 for initial connection; \$30 for normal reconnection; \$30 for violation connection; and \$15 for premises visit. Pursuant to Section 367.091, Florida Statutes, a tariff filing for increased charges must be accompanied with supporting cost justification for the increase. The utility failed to provide sufficient information to justify the request for increased charges.

Additional information was sought from the utility; however, the information submitted was insufficient. Upon further requests for information, the utility failed to return telephone calls and did not provide supplemental information. Therefore, we find that

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it is appropriate to deny the utility's request to increase its miscellaneous service charges.

DENIAL OF TARIFF FILING TO
DENY SERVICE FOR NONPAYMENT OF BILLS BY PREVIOUS OCCUPANT

On June 29, 1992, Floralino filed a second proposed tariff with the following wording:

DESCRIPTION OF USE - Colonial Manor Eastwood Acres and Colonial Manor Annex used to be 100% owner occup(ie)d where all the owners paid for their water service on a timely basis and the water company, could expect to be paid for such service.

At the present time, there are over fifty (50) Rental houses where we have to give service during the time the house was vacant, the utility company does (not) have an interest in said houses, therefore we request that water service be denied as long as the same owner owns the property and refuses to pay water service as set forth in TARIFF approved by Public Service Commission, State of Florida.

Additional information was requested from the utility in order to provide clarification of the circumstances which are causing it to file such a tariff proposal. The utility has not responded to the request for more information.

The proposed tariff suggests two different interpretations. First, the utility may be requesting to deny service to new occupants based on nonpayment of bills by previous occupants. This would result in a violation of Rule 25-30.320(5)(a), Florida Administrative Code, which provides that a utility cannot deny service for nonpayment of bill by a previous occupant of the premises unless such previous occupant will receive benefit from such service.

The second interpretation is that a flat base facility charge is accruing during the months that the units are vacant, and the utility is seeking to collect these revenues. While that may seem reasonable, the utility completed a staff-assisted rate case in 1989, and the billing data revealed a substantial number of zero

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bills which was fact was taken into consideration in the rate design. The utility's present rates already take into account the periods of time when the homes are vacant. Therefore, we find that it is appropriate to deny the utility's proposed tariff filing.

Based upon the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Floralino Properties, Inc.'s proposed tariff requesting an increase in miscellaneous service charges is hereby denied. It is further

ORDERED that Floralino Properties, Inc.'s proposed tariff requesting an inclusion of wording in order to establish the right to deny service to new customers who have moved into a house whose former occupants failed to pay for water service, is hereby denied. It is further

ORDERED that unless a substantially affected person files a petition for a formal proceeding within 21 days of the issuance of this Order, this Order shall become final and the docket shall be closed.

By ORDER of the Florida Public Service Commission this 25th day of August, 1992.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

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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

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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.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on September 15, 1992.

In the absence of such a petition, this order shall become final on the day subsequent to the above date.

Any objection or protest filed in this docket before the issuance date of this Order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater 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 of the date this Order becomes final, 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.