

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for a rate) DOCKET NO. 951027-WS
increase in Highlands County by) ORDER NO. PSC-96-0170-FOF-WS
Lake Placid Utilities, Inc.) ISSUED: FEBRUARY 6, 1996
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER SUSPENDING PROPOSED RATES AND
GRANTING INTERIM RATE INCREASE SUBJECT TO REFUND

BY THE COMMISSION:

CASE BACKGROUND

Lake Placid Utilities, Inc. (LPUI or utility) is a Class C utility which provides service to approximately 150 water and 214 wastewater customers in Highlands County. LPUI is located in the Southern Water-Use Caution area as designated by the Governing Board of the Water Management District. The utility is a wholly-owned subsidiary of Utilities, Inc.

By Order No. PSC-94-1602-FOF-WS, issued December 27, 1994, in Docket No. 930570-WS, we transferred the utility's certificates to LPUI and its rate base was established. The utility's test year is calendar year 1994. In its 1994 annual report, LPUI reported annual revenues of \$33,303 and a net operating loss of \$24,040. The utility was granted a price index rate adjustment for water and wastewater and a pass-through rate adjustment for water on August 11, 1995.

The application for approval of interim and final rates was filed on October 26, 1995, pursuant to Sections 367.081 and 367.082, Florida Statutes. However, the information submitted did not satisfy the minimum filing requirements (MFRs) for a general rate increase. Additional information was filed on November 17, 1995, which satisfied the MFRs, and this date has been established as the official date of filing. The utility requested that this case be processed pursuant to the proposed agency action (PAA) procedures as provided in Section 367.081 (8), Florida Statutes.

DOCUMENT NUMBER-DATE

01317 FEB-6 96

FPSC-RECORDS/REPORTING

LPUI has requested interim rates designed to generate annual revenues of \$40,161 and \$57,281 for water and wastewater, respectively. The requested interim revenues exceed adjusted test year revenues by \$15,720 for water and \$31,620 for wastewater, or 64.32% and 123.23%, respectively.

LPUI has requested final rates designed to generate annual revenues of \$47,331 and \$64,068 for water and wastewater, respectively. The requested revenues exceed adjusted test year revenues by \$22,890 for water and 38,407 for wastewater, or 93.65% and 149.68%, respectively.

SUSPENSION OF RATES

Section 367.081 (6), Florida Statutes, provides that the rate schedules proposed by the utility shall become effective within sixty (60) days after filing unless this Commission votes to withhold consent to implementation of the requested rates. In addition, under the provisions of Section 367.081(8), Florida Statutes, the utility may implement its requested rates under bond and subject to refund at the expiration of five months if: (1) the Commission has not acted upon the requested rate increase or (2) if the Commission's PAA action is protested by a party other than the utility.

We have reviewed the filings and have considered the proposed rates, the revenues thereby generated, and the information filed in support of the rate application. We find that it is reasonable and necessary to require further amplification and explanation regarding this data, and to require production of additional and/or corroborative data. In consideration of the above, we find that it is appropriate to suspend the utility's proposed rates.

INTERIM RATES

LPUI has requested approval of interim rates for water and wastewater service based on recovery of operating expenses and receipt of a 10.29% rate of return. The test year for interim purposes is the historical year ended December 31, 1994. The utility filed rate base, cost of capital, and operating statements to support its requested water and wastewater rate increases.

Rate Base

Our calculation of the appropriate rate base for the purpose of this proceeding is depicted on Schedules Nos. 1-A and 1-B. Based upon our analysis of the MFRs, we find that no adjustments are needed to the utility's requested rate base. Section

367.082(5)(b)(1), Florida Statutes, requires that the required rate of return be calculated by applying appropriate adjustments consistent with those used in the utility's most recent rate proceeding. The utility states in the MFRs that the 1993 plant balances used in calculating the average base for 1994 represents the rate base established in Order No. PSC-94-1602-FOF-WS with additional plant additions. Since there has not been a previous rate proceeding, we find that the requested rate base was calculated in accordance with the interim statute. Accordingly, we find it appropriate to grant an interim rate base of \$81,254 for water and \$52,295 for wastewater.

Cost of Capital

Our calculation of the appropriate cost of capital, including our adjustments, is depicted on Schedule No. 2. Those adjustments which are self-explanatory or which are essentially mechanical in nature are reflected on the schedule without further discussion in the body of this Order. The major adjustments are discussed below.

The utility determined its cost of capital using a blended capital structure of LPUI's actual deferred income taxes and customer deposits, with the remainder of its capital reconciled to rate base using its parent company's, Utilities, Inc., ratio of investor sources of capital. Using the actual debt cost for long-term debt of 9.51% and short-term debt of 9.00%, and the mid-point of the current leverage graph for the return on equity of 11.56%, the utility requested an overall cost of capital of 10.29%.

Section 367.082(6), Florida Statutes, authorizes the Commission to establish interim rates for a utility that does not have a previously authorized rate of return. Section 367.081(4)(f), Florida Statutes, authorizes the Commission to use the leverage graph to determine the cost of equity for utilities that have not had an equity return established. In calculating an interim increase, Section 367.082(5)(b)(3), Florida Statutes, requires that the minimum of the range of the rate of return on equity be used to determine the cost of capital. Using the leverage graph formula determined by this Commission in Order No. PSC-95-0982-FOF-WS, issued on August 10, 1995, we calculated the minimum return on equity at 10.56%. Reflecting this lower cost of equity, we find that an overall rate of return of 9.85% for interim purposes is appropriate.

Net Operating Income

Our calculation of net operating income is depicted on Schedules Nos. 3-A and 3-B, and our adjustments are itemized on Schedule No. 3-C. Those adjustments which are self-explanatory or which are essentially mechanical in nature are reflected on the schedules without further discussion in the body of this Order. The major adjustments are discussed below.

Section 367.082(5)(b)(1), Florida Statutes, states that revenues shall be annualized to reflect any rate changes that occurred during the interim test year. In its application, LPUI annualized its index and pass-through rate adjustments received on August 11, 1995. Because these rate changes were implemented after the interim test year, we decreased revenues by \$9,882 and \$6,916 for water and wastewater, respectively.

LPUI informed us that, through the process of installing meters and more closely examining their billing records, the utility discovered new residential customers along with misclassified residential customers. While all of these customers received service during the test year, the utility's booked revenues for the test year do not reflect the actual customer base and corresponding revenue. Therefore, we increased test year revenues by \$7,657 and \$6,134 for water and wastewater, respectively.

After our adjustments, before any revenue increase, we find that net operating loss totals \$797 for water and \$12,773 for wastewater. This represents an achieved rate of return of negative 0.98% for water and negative 24.42% for wastewater.

Revenue Requirement

Based upon our adjustments, recovery of actual operating expenses for the year ended December 31, 1994, and a 9.85% overall rate of return on an average rate base, we find that the appropriate interim revenues are \$37,214 and \$55,430 for water and wastewater, respectively. This represents an annual increase of \$14,998 for water and \$30,552 for wastewater, or 67.51% and 122.81%, respectively.

Interim Rates

We find it appropriate to grant interim rates that will generate additional annual operating revenues of \$14,998 and \$30,552 for water and wastewater systems, respectively. We find it appropriate to apply the increase to the rates in place during the interim test year which was prior to the implementation of the price index. The test year ended December 31, 1994 and the price index was effective for service rendered on or after August 11, 1995. To do otherwise would allow the utility to collect revenues higher than previously approved.

As mentioned earlier, we transferred the utility's certificates to LPUI by Order No. PSC-94-1602-FOF-WS, issued December 27, 1994. At the time of that transfer and during the test year, the customers of this utility did not have meters. However, meters were installed after the test year.

The utility requested interim flat rates and final metered rates, which are reflected on Schedules Nos. 4-A and 4-B. Our practice has been to prohibit a utility from redesigning rate structure in interim proceedings. We find that it is more appropriate to consider the metered rate structure when we make a determination on the utility's requested final rates.

The approved interim rates shall be implemented for service rendered on or after the stamped approval date on the tariff sheets provided customers have received notice. The utility shall provide proof of the date notice was given within 10 days of the date of notice. Prior to the implementation of the interim rates approved herein, LPUI shall file and have approved tariff sheets consistent with our decision herein. The revised tariff sheets shall be approved upon staff's verification that the tariffs are consistent with the Commission's decision, that the proposed notice to the customers of the approved increase is adequate and the required security discussed below has been filed.

The utility's current, proposed interim, proposed final, and the approved interim rates are shown on Schedules Nos. 4-A and 4-B.

SECURITY FOR REFUND

Pursuant to Section 367.082, Florida Statutes, the excess of interim rates over previously authorized rates shall be collected under guarantee subject to refund with interest. According to our calculations, the amount that shall be held subject to refund is \$41,096. Our Division of Auditing and Financial Analysis has determined that the utility cannot support a corporate undertaking

ORDER NO. PSC-96-0170-FOF-WS
DOCKET NO. 951027-WS
PAGE 6

due to inadequate liquidity and declining profitability. LPUI, by itself, does not qualify for a corporate undertaking.

Its parent company, Utilities, Inc. (UI), has acceptable liquidity, an adequate equity ratio and good profitability. Accordingly, LPUI shall guarantee any potential refund by corporate undertaking if UI is willing to act as guarantor.

Pursuant to Rule 25-30.360(6), Florida Administrative Code, the utility shall provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund. Should a refund be required, the refund shall be with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code.

In no instance shall maintenance and administrative costs associated with any refund be borne by the customers. The costs are the responsibility of, and shall be borne by, the utility.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the final rates and schedules proposed by Lake Placid Utilities, Inc. are hereby suspended in accordance with Section 367.081(6), Florida Statutes. It is further

ORDERED that the requested interim increases in water and wastewater rates by Lake Placid Utilities, Inc. are hereby granted to the extent set forth in the body of this Order. It is further

ORDERED that each of the findings made in the body of this Order is hereby approved in every respect. It is further

ORDERED that all matters contained in the schedules attached hereto are by reference incorporated herein. It is further

ORDERED that the approved interim rates shall become effective for service rendered on or after the stamped approval date on the tariff sheets, provided customers have received notice. It is further

ORDERED that Lake Placid Utilities, Inc. shall provide proof that notice was given to its customers within 10 days of the date of the notice. It is further

ORDER NO. PSC-96-0170-FOF-WS
DOCKET NO. 951027-WS
PAGE 7

ORDERED that the difference between the interim rates granted herein and Lake Placid Utilities, Inc.'s previously authorized rates shall be collected subject to refund, with interest. It is further

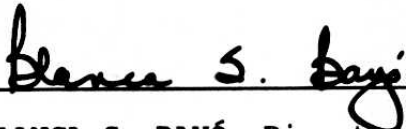
ORDERED that Lake Placid Utilities, Inc. shall provide a corporate undertaking in the amount of \$41,096, guaranteed by Utilities, Inc., as guarantee for any potential refund of interim revenues. It is further

ORDERED that prior to the implementation of the interim rates approved herein, Lake Placid Utilities, Inc. shall file and have approved tariff pages revised in accordance with the provisions of this Order, appropriate security for the refund, a proposed customer notice, and proof that the customers have received notice of the rate increase. It is further

ORDERED that the tariff sheets will be stamped approved upon verification that they are consistent with our decisions herein, that the proposed customer notice is adequate, and that the appropriate security is provided. It is further

ORDERED that during the time the interim rates are in effect, Lake Placid Utilities, Inc. shall file a report by the twentieth day of each month indicating the monthly and total revenue collected subject to refund, pursuant to Rule 25-30.360(6), Florida Statutes.

By ORDER of the Florida Public Service Commission, this 6th day of February, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

TV

ORDER NO. PSC-96-0170-FOF-WS
DOCKET NO. 951027-WS
PAGE 8

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 this order, which is intermediate in nature, may request 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 wastewater utility. Citizens of the State of Florida v. Mayo, 316 So. 2d 262 (Fla. 1975), states that an order on interim rates is not final nor reviewable until a final order is issued. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

LAKE PLACID UTILITIES, INC. SCHEDULE OF WATER RATE BASE TEST YEAR ENDED 12/31/94			SCHEDULE NO. 1-A DOCKET NO. 951027-WS			
COMPONENT	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMM. ADJ. TEST YEAR	
1 UTILITY PLANT IN SERVICE	\$ 148,644	\$ 0	\$ 148,644	\$ 0	148,644	
2 LAND & LAND RIGHTS	1,250	0	1,250	0	1,250	
3 NON-USED & USEFUL PLANT	0	(1,511)	(1,511)	0	(1,511)	
4 ACCUMULATED DEPRECIATION	(24,197)	0	(24,197)	0	(24,197)	
5 NON-USED & USEFUL ACC DEPREC	0	229	229	0	229	
6 CONSTRUCTION WORK IN PROGRESS	5,144	0	5,144	0	5,144	
7 CIAC	(61,225)	0	(61,225)	0	(61,225)	
8 AMORTIZATION OF CIAC	9,725	0	9,725	0	9,725	
9 ACQUISITION ADJUSTMENTS - NET	0	0	0	0	0	
10 ADVANCES FOR CONSTRUCTION	0	0	0	0	0	
11 DEFERRED TAXES	0	0	0	0	0	
12 WORKING CAPITAL ALLOWANCE	3,195	0	3,195	0	3,195	
RATE BASE	\$ 82,536	(1,282)	\$ 81,254	\$ 0	81,254	

LAKE PLACID UTILITIES, INC. SCHEDULE OF WASTEWATER RATE BASE TEST YEAR ENDED 12/31/94			SCHEDULE NO. 1-B DOCKET NO. 951027-WS			
COMPONENT	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMM. ADJ TEST YEAR	
1 UTILITY PLANT IN SERVICE	\$ 297,908	\$ 0	\$ 297,908	\$ 0	297,908	
2 LAND & LAND RIGHTS	17,769	0	17,769	0	17,769	
3 NON-USED & USEFUL PLANT	0	(28,836)	(28,836)	0	(28,836)	
4 ACCUMULATED DEPRECIATION	(201,569)	0	(201,569)	0	(201,569)	
5 NON-USED & USEFUL ACC DEPREC	0	15,737	15,737	0	15,737	
6 CONSTRUCTION WORK IN PROGRESS	4,814	0	4,814	0	4,814	
7 CIAC	(110,949)	0	(110,949)	0	(110,949)	
8 AMORTIZATION OF CIAC	52,355	0	52,355	0	52,355	
9 ACQUISITION ADJUSTMENTS - NET	0	0	0	0	0	
10 ADVANCES FOR CONSTRUCTION	0	0	0	0	0	
11 DEFERRED TAXES	0	0	0	0	0	
12 WORKING CAPITAL ALLOWANCE	5,066	0	5,066	0	5,066	
RATE BASE	\$ 65,394	(13,069)	\$ 52,295	\$ 0	52,295	

LAKE PLACID UTILITIES, INC.
CAPITAL STRUCTURE
TEST YEAR ENDED 12/31/94

SCHEDULE NO. 2
DOCKET NO. 951027-WS

DESCRIPTION	TOTAL CAPITAL	SPECIFIC ADJUSTMENTS (EXPLAIN)	PRO RATA ADJUSTMENTS	CAPITAL RECONCILED TO RATE BASE	RATIO	COST RATE	WEIGHTED COST
PER UTILITY 1994							
1 LONG TERM DEBT	\$ 35,322,250	0	\$(35,261,965)	60,285	45.14%	9.51%	4.29%
2 SHORT-TERM DEBT	7,300,000	0	(7,267,541)	12,459	9.33%	9.00%	0.84%
3 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
4 COMMON EQUITY	34,883,545	0	(34,824,009)	59,536	44.58%	11.56%	5.15%
5 CUSTOMER DEPOSITS	150	0	0	150	0.11%	6.00%	0.01%
6 DEFERRED INCOME TAXES	1,120	0	0	1,120	0.84%	0.00%	0.00%
7 DEFERRED ITC'S-WTD COST	0	0	0	0	0.00%	0.00%	0.00%
8 OTHER-INTERCO. ACCOUNTS	0	0	0	0	0.00%	0.00%	0.00%
9 TOTAL CAPITAL	\$ <u>77,507,065</u>	0	<u>\$(77,373,515)</u>	<u>133,550</u>	<u>100.00%</u>		<u>10.29%</u>
PER COMMISSION 1994							
10 LONG TERM DEBT	\$ 35,322,250	0	\$(35,261,965)	60,284	45.14%	9.51%	4.29%
11 SHORT-TERM DEBT	7,300,000	0	(7,267,541)	12,459	9.33%	9.00%	0.84%
12 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
13 COMMON EQUITY	34,883,545	0	(34,824,010)	59,536	44.58%	10.56%	4.71%
14 CUSTOMER DEPOSITS	150	0	0	150	0.11%	6.00%	0.01%
15 DEFERRED INCOME TAXES	1,120	0	0	1,120	0.84%	0.00%	0.00%
15 DEFERRED ITC'S-WTD COST	0	0	0	0	0.00%	0.00%	0.00%
16 OTHER-INTERCO. ACCOUNTS	0	0	0	0	0.00%	0.00%	0.00%
17 TOTAL CAPITAL	\$ <u>77,507,065</u>	0	<u>\$(77,372,247)</u>	<u>133,550</u>	<u>100.00%</u>		<u>9.85%</u>
RANGE OF REASONABLENESS					LOW	HIGH	
RETURN ON EQUITY					<u>10.56%</u>	<u>12.56%</u>	
OVERALL RATE OF RETURN					<u>9.85%</u>	<u>10.74%</u>	

LAKE PLACID UTILITIES, INC.
STATEMENT OF WATER OPERATIONS
TEST YEAR ENDED 12/31/94

SCHEDULE NO. 3-A
DOCKET NO. 951027-WS

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMM. ADJ TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	\$ 14,559	\$ 25,602	\$ 40,161	\$(17,945)	\$ 22,216	\$ 14,998	\$ 37,214
OPERATING EXPENSES:						67.51%	
2 OPERATION AND MAINTENANCE	\$ 25,562	\$ 0	\$ 25,562	\$ 0	\$ 25,562	\$	\$ 25,562
3 DEPRECIATION	1,607	0	1,607	0	1,607		1,607
4 AMORTIZATION	(2,352)	0	(2,352)	0	(2,352)		(2,352)
5 TAXES OTHER THAN INCOME	3,572	1,026	4,600	(1,156)	3,444	675	4,119
6 INCOME TAXES	(7,742)	10,301	2,559	(7,806)	(5,247)	5,525	278
7 TOTAL OPERATING EXPENSES	\$ 20,647	\$ 11,329	\$ 31,976	\$(8,963)	\$ 23,013	\$ 6,200	\$ 29,213
8 OPERATING INCOME	\$ (6,088)	\$ 14,273	\$ 8,185	\$(8,962)	\$(797)	\$ 6,798	\$ 8,001
9 RATE BASE	\$ 82,536	\$	\$ 81,254	\$	\$ 81,254	\$	\$ 81,254
RATE OF RETURN	-7.30%		10.07%		-0.98%		9.85%

LAKE PLACID UTILITIES, INC.
STATEMENT OF WASTEWATER OPERATIONS
TEST YEAR ENDED 12/31/94

SCHEDULE NO. 3-B
DOCKET NO. 951027-WS

DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMM. ADJ. TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
1 OPERATING REVENUES	\$ 18,744 \$	36,536 \$	57,280 \$	(32,402)\$	24,878 \$	30,552 \$	55,430
OPERATING EXPENSES						122.81%	
2 OPERATION AND MAINTENANCE	\$ 40,527 \$	0 \$	40,527 \$	0 \$	40,527 \$	\$	40,527
3 DEPRECIATION	6,718	0	6,718	0	6,718		6,718
4 AMORTIZATION	(3,379)	0	(3,379)	0	(3,379)		(3,379)
5 TAXES OTHER THAN INCOME	5,139	1,456	6,595	(1,734)	4,861	1,375	6,236
6 INCOME TAXES	(11,141)	12,694	1,553	(12,630)	(11,077)	11,255	179
7 TOTAL OPERATING EXPENSES	\$ 37,664 \$	14,150 \$	52,014 \$	(14,363)\$	37,651 \$	12,630 \$	50,280
8 OPERATING INCOME	\$ (19,120)\$	24,388 \$	5,268 \$	(18,039)\$	(12,773)\$	17,922 \$	5,149
9 RATE BASE	\$ 65,394	\$	52,295	\$	52,295	\$	52,295
RATE OF RETURN	-29.24%		10.07%		-24.42%		9.85%

ORDER NO. PSC-96-0170-FOF-WS
DOCKET NO. 951027-WS
PAGE 13

LAKE PLACID UTILITIES, INC. ADJUSTMENTS TO OPERATING STATEMENTS TEST YEAR ENDED 12/31/94		SCHEDULE NO. 3-C DOCKET NO. 951027-WS	
EXPLANATION	WATER	WASTEWATER	
(1) OPERATING REVENUES			
a) Remove adjustment for 1995 index and pass through	\$ (9,882)	\$ (6,916)	
b) Remove requested revenue increase	(15,720)	(31,620)	
c) Adjustment for utility's reclassification error discussed in issue 3	7,657	6,134	
	<u>\$ (17,945)</u>	<u>\$ (32,402)</u>	
TAXES OTHER THAN INCOME TAXES			
(2) a) Regulatory assessment fees related to index and pass through	\$ (449)	\$ (311)	
b) Regulatory assessment fees related to revenue increase	(707)	(1,423)	
	<u>\$ (1,156)</u>	<u>\$ (1,734)</u>	
(3) INCOME TAXES			
a) Income taxes associated with adjusted test year income	\$ (7,806)	\$ (12,630)	
(4) OPERATING REVENUES			
a) Adjustment to reflect recommended revenue requirement	\$ 14,998	\$ 30,552	
(5) TAXES OTHER THAN INCOME TAXES			
a) Regulatory assessment taxes on additional revenues	\$ 675	\$ 1,375	
(6) INCOME TAXES			
a) Income taxes related to recommended income amount	\$ 5,525	\$ 11,255	

LAKE PLACID UTILITIES, INC.
 COUNTY: HIGHLANDS
 DOCKET NO. 951027-WS
 TEST YEAR ENDED: DECEMBER 31, 1994

Schedule 4A

RATE SCHEDULE

WATER

Monthly Rates

	<u>Test Year Rate</u>	<u>Rates as of 08/11/95</u>	<u>Utility Requested Interim</u>	<u>Utility Requested Final</u>	<u>Commission Approved Interim</u>
<u>Residential and Multi-Family</u>					
Flat Rate	\$6.00	\$6.60	\$12.00	N/A	\$10.06
Base Facility Charge:					
5/8" x 3/4"				\$13.71	
3/4"				\$20.56	
1"				\$34.26	
1-1/2"				\$68.53	
2"				\$109.64	
3"				\$205.58	
4"				\$342.63	
6"				\$685.25	
Gallage Charge, per 1,000 Gallons	N/A	N/A	N/A	\$2.36	N/A
<u>General Service</u>					
Flat Rate	\$180.00	\$198.13	\$289.49	N/A	\$301.73
Base Facility Charge:					
Meter Size:					
5/8" x 3/4"				\$13.71	
3/4"				\$20.56	
1"				\$34.26	
1-1/2"				\$68.53	
2"				\$109.64	
3"				\$205.58	
4"				\$342.63	
6"				\$685.25	
Gallage Charge, per 1,000 Gallons	N/A	N/A	N/A	\$2.36	N/A
<u>Typical Residential Bills</u>					
<u>5/8" x 3/4" meter</u>					
3,000 Gallons	\$6.00	\$6.60	\$12.00	\$20.79	\$10.06
5,000 Gallons	\$6.00	\$6.60	\$12.00	\$25.51	\$10.06
10,000 Gallons	\$6.00	\$6.60	\$12.00	\$27.87	\$10.06

*** NOTE *** Customers were not metered during the test period. All customers had a flat rate.

LAKE PLACID UTILITIES, INC.
 COUNTY: HIGHLANDS
 DOCKET NO. 951027-WS
 TEST YEAR ENDED: DECEMBER 31, 1994

Schedule 4B

RATE SCHEDULE

WASTEWATER

Monthly Rates

	<u>Test Year Rates</u>	<u>Rates as of 09/11/95</u>	<u>Utility Requested Interim</u>	<u>Utility Requested Final</u>	<u>Commission Approved Interim</u>
<u>Residential and Multi-Family</u>					
Flat Rate	\$6.00	\$6.19	\$16.00	\$26.00	\$13.40
Base Facility Charge:					
5/8" x 3/4"				\$13.86	
3/4"				\$20.78	
1"				\$34.64	
1-1/2"				\$69.28	
2"				\$110.84	
3"				\$207.83	
4"				\$346.38	
6"				\$692.75	
Gallage Charge, per 1,000 Gallons (Sewer Cap - 6,000 Gallons)	N/A	N/A	N/A	\$2.46	N/A
<u>General Service</u>					
Flat Rate	\$180.00	\$185.65	\$295.05		\$402.03
Base Facility Charge:					
Meter Size:					
5/8" x 3/4"				\$13.86	
3/4"				\$20.78	
1"				\$34.64	
1-1/2"				\$69.28	
2"				\$110.84	
3"				\$207.83	
4"				\$346.38	
6"				\$692.75	
Gallage Charge, per 1,000 Gallons	N/A	N/A	N/A	\$2.46	N/A
<u>Typical Residential Bills</u>					
3,000 Gallons	\$6.00	\$6.19	\$16.00	\$21.24	\$13.40
5,000 Gallons	\$6.00	\$6.19	\$16.00	\$26.16	\$13.40
10,000 Gallons (Sewer Cap - 6,000 Gallons)	\$6.00	\$6.19	\$16.00	\$26.62	\$13.40

*** NOTE *** Customers were not metered during the test period. All customers had a flat rate.