

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of JACKSONVILLE	)	DOCKET NO. 890968-WS
SUBURBAN UTILITIES CORPORATION for 1989	)	
price index and pass-through rate	)	ORDER NO. 21871
adjustments in Duval County.	)	
	)	ISSUED: 9-11-89

ORDER ACKNOWLEDGING INDEXING  
AND PASS-THROUGH RATE ADJUSTMENTS

BY THE COMMISSION:

On July 21, 1989, Jacksonville Suburban Utilities Corporation (Jacksonville Suburban or Utility) notified this Commission of its intention to increase rates to its customers in Duval County by application of the price-indexing and pass-through provisions of Subsections 367.081(4)(a) and (b), Florida Statutes, respectively, and Rules 25-30.420 and 25-30.425, Florida Administrative Code, respectively.

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.

The Utility also intends to pass through to its customers the increased cost of purchased power imposed by the Jacksonville Electric Authority and a decrease in its ad valorem taxes. The Utility waived its right to place the pass-through rates into effect thirty days from the filing date of this notice and states that these rates are to become effective simultaneously with the indexing adjustment.

The documentation submitted by the Utility in support of its indexing and pass-through notice meets the Commission's requirements, as set forth in Rules 25-30.420 and 25-30.425, Florida Administrative Code. In compliance with said rules, 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 pass-through provisions and the application of the price index to certain operation and maintenance expenses.

Applying increase factors of 1.02027 and 1.02178 to the existing rate schedules results in increased water and sewer revenues of \$85,291 and \$196,991, respectively. The schedules of our computations are as follows:

DOCUMENT NUMBER-DATE  
09035 SEP 11 1989  
FPSC-RECORDS/REPORTING

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1989 Price Index and Pass-Through Application  
Test Year Ended December 31, 1988

	<u>Water</u>	<u>Sewer</u>
1988 Operation and Maintenance Expenses	\$1,998,124	\$4,474,793
Less:		
(1) Pass-through Items:		
(a) Purchased Power	( 314,097)	( 617,476)
(b) Purchased Water	( 65,260)	0
(2) Rate Case Expense Included in 1988 O & M Expenses	( 159)	0
Costs to be Indexed	\$1,618,608	\$3,857,317
Multiply by Change in GNP Implicit Price Deflator Index	x .0435	x .0435
Additional O & M Expenses	\$ 70,409	\$ 167,793
Pass-through Items:		
Increase in Purchased Power	15,001	31,274
Increase in Ad Valorem Taxes	( 2,251)	( 7,001)
Total Increased Expenses	\$ 83,159	\$ 192,066
Divide by Expansion Factor for Regulatory Assessment Fees	÷ .975	÷ .975
Increase in Revenue	\$ 85,291	\$ 196,991
Divide by 1988 Annualized Revenues	+4,207,986	+9,045,322
Percentage Increase	<u>2.027%</u>	<u>2.178%</u>
Increase Factor to Apply to Existing Rate Schedules	<u>1.02027</u>	<u>1.01278</u>

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

WATER (2.027% Increase)  
Quarterly Rates  
Residential Service

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Existing</u>	<u>New</u>
5/8"	\$ 12.03	\$ 12.27
3/4"	\$ 16.88	\$ 17.22
1"	\$ 26.52	\$ 27.06
1-1/2"	\$ 60.28	\$ 61.50
2"	\$ 118.22	\$ 120.62

Quantity Rates

All Usage, Per 1,000 Gallons	\$ .8192	\$ .8358
All Usage, Per 100 Cubic Feet	\$ .6128	\$ .6252

Monthly Rates  
General Service

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Existing</u>	<u>New</u>
5/8"	\$ 5.59	\$ 5.70
3/4"	\$ 7.20	\$ 7.35
1"	\$ 10.42	\$ 10.63
1-1/2"	\$ 21.68	\$ 22.12
2"	\$ 40.98	\$ 41.81
3"	\$ 108.56	\$ 110.76
4"	\$ 279.12	\$ 284.78
6"	\$ 314.51	\$ 320.89
8"	\$3503.62	\$3574.64

Quantity Rates

All Usage, Per 1,000 Gallons	\$ .8192	\$ .8358
All Usage, Per 100 Cubic Feet	\$ .6128	\$ .6252

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Monthly Rates

Fire Hydrants, Fire Lines, and Sprinkler Systems

<u>Size of Service Line</u>	<u>Existing</u>	<u>New</u>
2"	\$ 10.94	\$ 11.16
3"	\$ 19.52	\$ 19.92
4"	\$ 29.15	\$ 29.74
6"	\$ 55.95	\$ 57.08
8"	\$ 88.11	\$ 89.90
10"	\$ 125.59	\$ 128.14

SEWER (2.178% Increase)  
Quarterly Rates

Residential Service

<u>Base Facility Charge</u>	<u>Existing</u>	<u>New</u>
Per Single Family Residential Structure	\$ 23.24	\$ 23.75
<u>Quantity Rates</u>		
First 30,000 Gallons Per 1,000 Gallons	\$ 2.5156	\$ 2.5704
First 4,000 Cubic Feet Per 100 Cubic Feet	\$ 1.8816	\$ 1.9226
<u>Unmetered Customers</u>		
Flat Rate	\$ 74.27	\$ 75.89

Note: The maximum gallonage charge per residential customer shall be no more than 30,000 gallons or 4,000 cubic feet per quarter.

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Monthly Rates

General Service

<u>Base Facility Charge</u>	<u>Existing</u>	<u>New</u>
5/8"	\$ 8.83	\$ 9.02
3/4"	\$ 12.22	\$ 12.49
1"	\$ 19.64	\$ 20.07
1-1/2"	\$ 44.85	\$ 45.83
2"	\$ 88.08	\$ 90.00
3"	\$ 239.42	\$ 244.63
4"	\$ 621.35	\$ 634.88
6"	\$ 700.61	\$ 715.87
8"	\$7841.79	\$8012.58

Quantity Rates

All Usage, Per 1,000 Gallons	\$ 2.5156	\$ 2.5704
All Usage, Per 100 Cubic Feet	\$ 1.8816	\$ 1.9226

Unmetered Customers

Flat Rate	\$ 25.84	\$ 26.40
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It is, therefore,

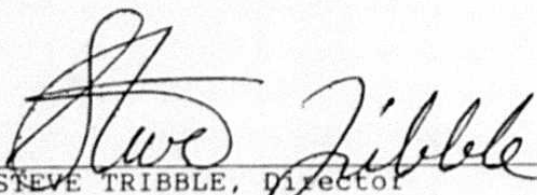
ORDERED by the Florida Public Service Commission that the indexing and pass-through application of Jacksonville Suburban Utilities Corporation, Post Office Box 8004, Jacksonville, Florida 32239, is hereby acknowledged. It is further

ORDERED that the rates contained herein shall become effective for service rendered on or after September 19, 1989, subject to approval of revised tariff sheets and customer notice as previously indicated in this Order. It is further

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ORDERED that the tariff sheets submitted with the Utility's application reflect the rates set forth in this Order, and Docket No. 890968-WS may be closed upon Staff's approval of the tariff sheets.

By Order of the Florida Public Service Commission,  
this 11th day of SEPTEMBER, 1989.

  
STEVE TRIBBLE, Director  
Division of Records and Reporting

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