

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for ) DOCKET NO. 921098-WS  
certificates to provide water ) ORDER NO. PSC-93-1090-FOF-WS  
and wastewater service in ) ISSUED: July 27, 1993  
Alachua County under grandfather )  
rights by Turkey Creek, Inc. & )  
Family Diner, Inc. d/b/a Turkey )  
Creek Utilities. )  
\_\_\_\_\_)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
THOMAS M. BEARD  
SUSAN F. CLARK  
JULIA L. JOHNSON  
LUIS J. LAUREDO

ORDER REQUIRING CERTAIN CHARGES TO BE COLLECTED  
SUBJECT TO REFUND

BY THE COMMISSION:

By Proposed Agency Action (PAA) Order No. PSC-93-0816-FOF-WS, issued May 27, 1993, this Commission approved miscellaneous service charges, a late payment charge, service availability charges, meter installation charges, and connection fees for Turkey Creek, Inc. & Family Diner, Inc. d/b/a Turkey Creek Utilities (the utility). Further, we found the charge for public fire protection to be inappropriate. The Order was timely protested by the utility and this matter is now set for hearing. Effective the date of our vote on this matter, July 6, 1993, we find it appropriate to require the difference between Turkey Creek's current charges and the charges we determined to be reasonable in the PAA Order be held subject to refund pending a final decision after hearing. We also find it appropriate to require interest on customer deposits, which we required to be paid to customers when the deposits were refunded, to continue to accrue during the pendency of this proceeding. It is important to note also that the utility will be responsible for the refund of any monthly service rates and charges ultimately

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determined to be in excess of those legally in effect on the date this Commission received jurisdiction. The utility's current charges and the previously approved PAA charges are set forth below.

	<u>Current Utility Charge</u>	<u>Commission Approved-PAA Charge</u>
<u>Public Fire Protection</u>	\$1838.16 (Annual)	\$ 0.00

Miscellaneous Service Charges (Water)

Initial Connection	\$ 40.00	\$ 15.00
Prepaid Disconnection	40.00	0.00
Disconnection	40.00	0.00
Normal Reconnection	40.00	15.00
Violation Reconnection	0.00	15.00
Premises Visit (in lieu of disconnection)	0.00	10.00

Miscellaneous Service Charges (Wastewater)

Initial Connection	\$ 40.00	\$ 15.00
Prepaid Disconnection	40.00	0.00
Disconnection	40.00	0.00
Normal Reconnection	40.00	15.00
Violation Reconnection	0.00	Actual Cost
Premises Visit (in lieu of disconnection)	0.00	10.00

When both water and wastewater service is provided, only a single charge is appropriate unless circumstances beyond the control of the utility require multiple actions.

<u>Late Payment Fee</u>	\$ 20.00 or 10% of bill	\$ 3.00
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Service Availability Charges

With regard to the service availability charges, the Commission proposed to change the service availability charges from charges which were based on meter size to plant capacity charges based on the number of equivalent residential connections (ERCs). Listed below are the charges which Turkey Creek had in effect on December 26, 1990:

WATER SYSTEM

Capital Facilities Charge

<u>Meter Size</u>	<u>Charge</u>
5/8 x 3/4"	\$380.00
1"	545.00
1 1/2"	675.00
2"	900.00

Meter Installation Charges

<u>Meter Size</u>	<u>Charge</u>
5/8 x 3/4"	\$375.00
1"	460.00
1 1/2"	675.00
2"	900.00

WASTEWATER SYSTEM

Capital Facilities Charge

<u>Meter Size</u>	<u>Charge</u>
5/8 x 3/4"	\$440.00
1"	590.00
1 1/2"	725.00
2"	950.00

Meter Installation Charges

In Order No. PSC-93-0816-FOF-WS, we also proposed separating the meter installation charges into a meter installation charge and a customer connection charge. Listed below are the meter installation charges which Turkey Creek had in effect on December 26, 1990:

<u>Meter Size</u>	<u>Charge</u>
5/8 x 3/4"	\$375.00
1"	460.00
1 1/2"	675.00
2"	900.00

The meter installation charges proposed by the Commission are as follows:

<u>Meter Size</u>	<u>Charge</u>
5/8 x 3/4"	\$100
1"	\$175
Above 1"	Actual cost

Customer Connection Charges

In addition to the meter installation charges, we proposed a customer connection charge based on the actual cost of connecting a customer to the utility's main.

SECURITY FOR REFUND

Our review of the utility's financial statements indicates that the utility cannot support a corporate undertaking as security for the funds collected subject to refund. Therefore, we find it appropriate to require the utility to provide, within thirty days of the date of this Order, a bond, letter of credit or escrow agreement to guarantee the funds collected subject to refund.

If the security provided is an escrow account, said account shall be established between the utility and an independent financial institution pursuant to a written escrow agreement. The

Commission shall be a party to the written escrow agreement and a signatory to the escrow account. The written escrow agreement shall state the following: that the account is established at the direction of this Commission for the purpose set forth above, that no withdrawals of funds should occur without the prior approval of the Commission through the Director of the Division of Records and Reporting, that the account should be interest bearing, that information concerning the escrow account should be available from the institution to the Commission or its representative at all times, and that pursuant to Consentino v. Elson, 263 So.2d 253 (Fla. 3d. DCA 1972), escrow accounts are not subject to garnishments.

The utility shall deposit the funds to be escrowed into the escrow account each month. If a refund to the customers is required, all interest earned by the escrow account shall be distributed to the customers. If a refund to the customers is not required, the interest earned by the escrow account shall revert to the utility.

If the utility chooses a bond as security, the bond shall state that it will be released or will terminate upon subsequent order of the Commission addressing overearnings or requiring a refund. If the utility chooses to provide a letter of credit as security, the letter of credit shall state that it is irrevocable for the period it is in effect and that it will be in effect until a final Commission order is rendered addressing overearnings or requiring a refund. If a bond or letter of credit is chosen as security, the utility shall be ordered to file a schedule providing the following data by month for the last ten months: (1) the number of times each type of charge held subject to refund was collected; and (2) the revenue collected for each type of service. The amount of the bond or letter of credit shall equal the difference between what the utility collected over the last ten months and what it would have collected under the charges contained in the Commission's PAA order.

The utility shall keep an accurate and detailed account of all monies it receives. 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.

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This docket shall remain open to process the pending protests to PAA Orders Nos. PSC-93-0816-FOF-WS and PSC-093-0229-FOF-WS, issued February 10, 1993.

Based on the foregoing it is, therefore,

ORDERED by the Florida Public Service Commission that effective July 6, 1993, Turkey Creek, Inc. & Family Diner, Inc. d/b/a Turkey Creek Utilities shall hold the difference between Turkey Creek's current charges and the charges in the PAA Order subject to refund with interest pending a final decision after hearing. It is further

ORDERED that Turkey Creek, Inc. & Family Diner, Inc. d/b/a Turkey Creek Utilities shall provide, within thirty days of the date of this Order, a bond, letter of credit or escrow agreement to guarantee the funds collected subject to refund. It is further

ORDERED that Turkey Creek, Inc. & Family Diner, Inc. d/b/a Turkey Creek Utilities shall keep an accurate and detailed account of all monies it receives. 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.

By ORDER of the Florida Public Service Commission this 27th day of July, 1993.

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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

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by: Kay Hizon  
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 this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) 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. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.