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



DIVISION OF APPEALS DAVID E. SMITH DIRECTOR (904) 413-6245 Untertiet. FILE COPY

## Public Service Commission

July 8, 1997

Mr. Carroll Webb
Joint Administrative Procedures
Committee
120 Holland Building
Tallahassee, Florida 32399

Re: Docket No. 960258-WS - Rule 25-30.431

Dear Mr. Webb:

Enclosed is a revised statement of changes for the proposed new Rule 25-30.431. The revisions now state whether each substantive change was made as a result of written material filed before the public hearing or the record of the public hearings. The notice of change, which was published in the Florida Administrative Weekly on July 3, 1997, was sent to you on June 25, 1997.

Sincerely, lar leve f

Christiana T. Moore Associate General Counsel

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## REVISED STATEMENT OF CHANGES

## 25-30.431

(1) Based on written material filed before the public hearing by Florida Water Services Corporation and comments in the record of the public hearing, the definition of "margin reserve" was changed to reflect that a utility must maintain enough capacity to serve increased usage by existing customers in addition to added demand created by new customers in order to provide safe, efficient, and sufficient service as required by section 367.111, F.S.

(2) The definition of "margin reserve period" was changed to delete the words that were moved to (1).

(4) The provision of a margin reserve period for water transmission and distribution lines and the wastewater collection system was deleted. Written material filed by Florida Waterworks Association before the public hearing show that a 12-month period would not be appropriate in many circumstances, but there is not a sufficient basis to select another period.

(5) (b) Because the provision in (4) for a margin reserve period for transmission and distribution lines and wastewater collection system was deleted, the formula for calculating that period has been deleted.

(7) Based on written material submitted before the public hearing and comments in the record of the public hearing, the provision for imputing contributions-in-aid-of-construction (CIAC) was changed to provide for imputation of 50 percent of CIAC to recognize that all CIAC would not be collected at the beginning of the margin reserve period but should be averaged over the life of the period.