

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Request to establish new class of service for RV park in Lee County, by Tamiami Village Water Company, Inc. | DOCKET NO. 050819-WU  
| ORDER NO. PSC-06-0090-TRF-WU  
| ISSUED: February 9, 2006

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman  
J. TERRY DEASON  
ISILIO ARRIAGA  
MATTHEW M. CARTER II  
KATRINA J. TEW

ORDER APPROVING TARIFF FILING FOR NEW CLASS OF SERVICE

BY THE COMMISSION:

Background

Tamiami Village Water Company, Inc. (Tamiami or utility) is a Class C utility in Lee County. The system serves approximately 785 water customers. This utility was formerly known as Tamiami Village Utility, Inc. and was acquired by Tamiami in 1995. The transfer was approved by Order No. PSC-95-1441-FOF-WU, issued November 28, 1995, in Docket No. 950015-WU, In re: Application for transfer of Certificate No. 388-W in Lee County from Tamiami Village Utility, Inc.; and for a limited proceeding to increase rates to recover increased operation and maintenance expenses as a result of pending transfer by Tamiami Village Water Company, Inc. According to its 2004 Annual Report, Tamiami recorded total gross revenues of \$183,499, resulting in a net loss of \$11,621.

By letter dated October 12, 2005, Tamiami filed for approval of a new class of service for a general service tariff. By Order No. PSC-05-1223-PCO-WU, issued December 15, 2005, this Commission suspended the proposed tariff filing. The purpose of this Order is to address the utility's request for a new general service tariff. We have jurisdiction pursuant to Section 367.091, Florida Statutes.

Tariff Filing for New Class of Service

Prior to October 1, 2002, the utility had a specific general service rate for RV Parks to which Lee County's Park Assessment applied. The tariff provided for a charge of \$1,048.23 for a three-inch meter and \$2.93 per 1,000 gallons. However, on October 1, 2002, the utility signed an agreement with Lee County whereby the County would no longer apply an RV assessment. Therefore, that tariff no longer applied to the RV Park, and the utility began to charge the regular general service rate for a 3-inch meter on that date.

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Section 367.091(6), Florida Statutes, states, “[a]n application to establish, increase, or change a rate or charge other than the monthly rates for service pursuant to s. 367.081 or service availability charges pursuant to s. 367.101 must be accompanied by a cost justification.” For its cost justification, the utility states that it inspected the RV Park on October 11, 2005, and found that 84 of the 244 RV spaces were being used on a permanent basis. These are spaces that have either permanent mobile homes or module homes that cannot be removed like a typical RV. The rate currently charged for a regular general service 3-inch meter allows for 15 Equivalent Residential Connections (ERCs). However, the RV Park has 84 permanent spaces and the remaining 160 spaces are 40% occupied for a total number of occupied spaces of 148. Because each space represents .8 of an ERC, the utility calculated that it was serving 118 ERCs, and being paid for 15 ERCs. For this reason, the utility believes that the RV Park is being charged inappropriately and wants to begin to charge the RV Park according to the characteristics used in the tariff prior to October 1, 2002. The utility states that the additional revenue from this bulk user will benefit all customers and will be equitable because the RV Park is not currently being charged for the appropriate amount of ERCs. The utility also states that the increase in revenue will not cause it to exceed its last authorized rate of return.

The utility has requested a BFC of \$1,374.70 monthly for this 3-inch meter. The utility calculated this charge by multiplying 118 ERCs by the existing residential BFC of \$11.65 for all meter sizes.

Rule 25-30.055(1)(a), Florida Administrative Code, states that unless this Commission determines that valid local statistical data should be used, ERCs for residential use for Mobile Homes should be .8 ERC per unit. The utility calculated its BFC pursuant to this rule and we find that the requested general service water charge proposed by the utility is reasonable.

Therefore, the utility’s request is approved. The utility’s Ninth Revised Tariff Sheet No. 16.1 shall be effective for service rendered on or after our staff’s approval pursuant to Rule 25-30.475(1), Florida Administrative Code, provided the customers have received notice and after our staff verifies that the proposed customer notice is adequate. The utility shall provide proof that the customers have received notice within ten days after the date that notice was sent.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Tamiami Village Water Company, Inc.’s proposed charges for the general service customer shall be approved as filed. It is further

ORDERED that Tamiami Village Water Company, Inc.’s Ninth Revised Tariff Sheet No. 16.1 shall be effective for service rendered on or after our staff’s approval pursuant to Rule 25-30.475(1), Florida Administrative Code, provided the customers have received notice and after our staff verifies that the proposed customer notice is adequate. It is further

ORDERED that Tamiami Village Water Company, Inc. shall provide proof that the customers have received notice within ten days after the date that the notice was sent. It is further

ORDERED that if no substantially affected person files a protest within 21 days of the issuance of this Order, this Tariff Order will become final upon the issuance of a Consummating Order, and the docket shall be closed. It is further

ORDERED that if a protest is filed by a substantially affected person within 21 days of the issuance date of this Order, the tariff shall remain in effect with the increased revenues held subject to refund pending resolution of the protest, and the docket shall remain open.

By ORDER of the Florida Public Service Commission this 9th day of February, 2006.

BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records

( S E A L )

RRJ

NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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 proposed action files a petition for a

formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on March 2, 2006.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

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.