

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for increase in wastewater rates in Charlotte County by Utilities, Inc. of Sandalhaven. | DOCKET NO. 060285-SU
| ORDER NO. PSC-06-0676-PCO-SU
| ISSUED: August 7, 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 SUSPENDING PROPOSED FINAL RATES

BY THE COMMISSION:

BACKGROUND

Utilities, Inc. of Sandalhaven (Sandalhaven or utility) is a class B wastewater utility providing service to approximately 910 customers in Charlotte County. Sandalhaven is a wholly-owned subsidiary of Utilities, Inc. In its 2005 Annual Report, Sandalhaven reported operating revenues of \$270,518 and a net operating loss of \$45,037.

On May 15, 2006, Sandalhaven filed the Application for Rate Increase at issue in this docket. The utility requested that the application be processed using the Proposed Agency Action (PAA) procedure and did not request interim rates. Sandalhaven requested final rates designed to generate annual wastewater revenues of \$1,257,628. This represents a revenue increase of \$981,066 (364.90%). The test year established for final rates is the historical twelve-month period ended December 31, 2005.

Sandalhaven's Minimum Filing Requirements (MFRs) contained a number of deficiencies that will require revisions by the utility. These revisions will not be received by the Commission until after the statutory 60-day limit to suspend the requested rate increase. Therefore we will suspend implementation of the final rates pending further review of the application. We have jurisdiction pursuant to Section 367.081, Florida Statutes.

Section 367.081(6), Florida Statutes, provides that the Commission may, for good cause, withhold consent to the implementation of the requested rates by a vote to that effect within 60 days after the date the rate request is filed. Section 367.081(8), Florida Statutes, permits the proposed rates to go into effect (secured and subject to refund) at the expiration of five months

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from the official date of filing 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.

Our determination that more time is needed to review and analyze Sandalhaven's rate request is good cause to suspend implementation of the rate request at this time while we conduct the initial review.

Based on the foregoing, it is


ORDERED by the Florida Public Service Commission that the Application for increase in wastewater rates in Charlotte County by Utilities, Inc. of Sandalhaven is suspended pending further review. It is further

ORDERED that this docket shall remain open pending final action on the utility's requested rate increase.

By ORDER of the Florida Public Service Commission this 7th day of August, 2006.

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

By:



Kay Flynn, Chief
Bureau of Records

(S E A L)

MCB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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.

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 25-22.0376, Florida Administrative Code; or (2) 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 the Commission Clerk and Administrative Services, 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.