

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: January 10, 2013

TO: Office of Commission Clerk (Cole)

FROM: Division of Economics (Bruce) *JB*
Office of the General Counsel (Young) *JD*

RE: Docket No. 120290-WU – Request for approval of amendment to tariff sheets for miscellaneous service charges in Polk County by Pinecrest Utilities, LLC.

AGENDA: 1/24/13 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 01/28/13 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECO\WP\120290.RCM.DOC

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COMMISSION
CLERK

Case Background

Pinecrest Utilities, LLC. (Pinecrest or Utility) is a Class C water utility serving approximately 128 customers in Polk County. The Utility is located in the Southern Water Use Caution Area of the Southwest Florida Water Management District. However, there are no water use restrictions for the Utility because annual withdrawals are less than 100,000 gallons per day. The Utility's 2011 annual report indicates gross revenues of \$53,354 and net operating loss of \$11,784.

On November 13, 2012, the Utility filed an application for approval of a tariff amendment to charge customers who opt to pay their water bill by debit or credit card. Pinecrest filed the tariff sheet for this request on November 28, 2012. This recommendation

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addresses the suspension of Pinecrest's proposed tariff sheet. The Commission has jurisdiction pursuant to Section 367.091(6), Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the Commission suspend Pinecrest's proposed tariff to establish a charge for customers who opt to pay their water bill by debit or credit card?

Recommendation: Yes. Pinecrest's proposed tariff to establish a charge for customers who opt to pay their water bill by debit or credit card should be suspended to allow staff sufficient time to review the Utility's cost justification. (Bruce)

Staff Analysis: Pursuant to Section 367.091(6), F.S., the Commission may withhold consent to operation of any or all portions of new rate schedules by a vote to that effect within 60 days, giving a reason or statement of good cause for withholding its consent. Staff is recommending that the tariff be suspended to allow staff sufficient time to review the application and gather all pertinent information to present the Commission an informed recommendation on the proposed tariff. Staff believes that this reason is a good cause consistent with the requirement of Section 367.091(6), F.S.

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Issue 2: Should this docket be closed?

Recommendation: No. The docket should remain open pending the Commission's final action on the Utility's requested approval of amendment to tariff to charge customers who opt to pay their water bill by debit or credit card. (Young, Bruce)

Staff Analysis: The docket should remain open pending the Commission's final action on the Utility's requested approval of amendment to tariff to charge customers who opt to pay their water bill by debit or credit card.