

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of MARCO SHORES )	DOCKET NO. 890652-WS
UTILITIES for a 1989 price index )	ORDER NO. 21419
rate adjustment in Collier County. )	ISSUED: 6-20-89
_____)	

ORDER ACKNOWLEDGING PRICE INDEX RATE ADJUSTMENT

BY THE COMMISSION:

On May 12, 1989, Marco Shores Utilities (Utility) notified this Commission of its intention to increase rates to its customers in Collier County by application of the price-indexing provisions of Section 367.081(4)(a), Florida Statutes, and Rule 25-30.420, Florida Administrative Code.

By Order No. 20972, issued by this Commission on March 31, 1989, in Docket No. 890005-WS, the rates of water and sewer utilities are subject to adjustment as a result of the application of the price index to certain utility operation and maintenance costs. The indexing factor is 4.35 percent.

After review of the indexing filing, we find that it meets the Commission's requirements, as set forth in Rule 25-30.420, Florida Administrative Code. In compliance with Rule 25-30.420(6), Florida Administrative Code, the Utility advised us that it will provide notice to its customers prior to the effective date of the rates, informing them of the impending rate adjustment and explaining that the increase is due to the application of the price index to certain operation and maintenance expenses.

Applying increase factors of 1.0272 and 1.0254 to the existing rate schedules results in increased water and sewer revenues of \$1,989 and \$1,190, respectively. The schedule of our computation is as follows:

1989 Price Index Application  
Test Year Ended December 31, 1988

	<u>Water</u>	<u>Sewer</u>
1988 Operation and Maintenance Expenses	\$ 63,902	\$ 32,996
Less:		
(1) Pass-through Items:		
(a) Purchased Power	( 5,379)	( 6,332)
(b) Purchased Water	( 13,957)	0
(2) Rate Case Expense Included in 1988 O & M Expenses	_____ 0	_____ 0
Costs to be Indexed	\$ 44,566	\$ 26,664
Multiply by Change in GNP Implicit Price Deflator Index	x <u>.0435</u>	x <u>.0435</u>
Additional O & M Expenses	\$ 1,939	\$ 1,160
Divide by Expansion Factor for Regulatory Assessment Fees	÷ <u>.975</u>	÷ <u>.975</u>
Increase in Revenue	\$ 1,989	\$ 1,190

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Divide by 1988 Annualized Revenues	+ 73,161	+ 46,885
Percentage Increase	<u>2.72%</u>	<u>2.54%</u>
Increase Factor to Apply to Existing Rate Schedules	<u>1.0272</u>	<u>1.0254</u>

Rates which will allow the Utility to recognize this increase are as follows:

WATER (2.72% INCREASE)  
Monthly Rates

Residential Service

	<u>Existing</u>	<u>New</u>
<u>Base Facility Charge</u>		
<u>Meter Size</u>		
Multi-Unit Individual Meter	\$ 8.91	\$ 9.15
5/8" x 3/4"	\$ 11.87	\$ 12.19
1"	\$ 23.74	\$ 24.39
1-1/2"	\$ 59.37	\$ 60.98
2"	\$ 95.00	\$ 97.58
3"	\$ 189.97	\$ 195.14
4"	\$ 296.83	\$ 304.90
6"	\$ 593.68	\$ 609.83
<u>Gallage Charge</u>		
Per 1,000 Gallons	\$ 1.62	\$ 1.66

Multi-Family Service

	<u>Existing</u>	<u>New</u>
<u>Base Facility Charge</u>		
Per Unit	\$ 5.93	\$ 6.09
<u>Gallage Charge</u>		
Per 1,000 Gallons	\$ 1.62	\$ 1.66

Commercial Service

	<u>Existing</u>	<u>New</u>
<u>Base Facility Charge</u>		
<u>Meter Size</u>		
5/8" x 3/4"	\$ 11.87	\$ 12.19
1"	\$ 23.74	\$ 24.39
1-1/2"	\$ 59.37	\$ 60.98
2"	\$ 95.00	\$ 97.58
3"	\$ 189.97	\$ 195.14
4"	\$ 296.83	\$ 304.90
6"	\$ 593.68	\$ 609.83
<u>Gallage Charge</u>		
Per 1,000 Gallons	\$ 1.62	\$ 1.66

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SEWER (2.54% INCREASE)  
Monthly Rates

Residential Service

	<u>Existing</u>	<u>New</u>
<u>Flat Rate</u>		
Residential	\$ 17.19	\$ 17.63
Individual Metered Multi-unit	\$ 15.89	\$ 16.29

Multi-Family Service

	<u>Existing</u>	<u>New</u>
<u>Flat Rate</u>		
Per Unit	\$ 14.61	\$ 14.98

General Service

	<u>Existing</u>	<u>New</u>
<u>Base Facility Charge</u>		
<u>Meter Size</u>		
5/8" x 3/4"	\$ 14.61	\$ 14.98
1"	\$ 36.53	\$ 37.46
1-1/2"	\$ 73.05	\$ 74.91
2"	\$ 116.89	\$ 119.86
3"	\$ 233.78	\$ 239.72
<u>Gallorage Charge</u>		
Per 1,000 Gallons	\$ 1.56	\$ 1.60

It is, therefore,

ORDERED by the Florida Public Service Commission that the indexing application of Marco Shores Utilities, 3250 S.W. Third Avenue, Miami, Florida 33129 is hereby acknowledged. It is further


ORDERED that the Utility shall submit revised tariff sheets containing the new rates indicated in this Order. It is further

ORDERED that the rates contained herein shall become effective for service rendered on or after July 11, 1989, subject to approval of revised tariff sheets and customer notice as previously indicated in this Order. It is further

ORDERED that Docket No. 890652-WS shall be closed upon approval of the revised tariff sheets.

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By Order of the Florida Public Service Commission,  
this 20th day of JUNE, 1989.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

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