

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: HUDSON UTILITIES, INC.)	DOCKET NO. 890693-SU
request to refund overcharges to)	ORDER NO. 21509
customers in Pasco County)	ISSUED: 7-5-89
)	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
 THOMAS M. BEARD
 JOHN T. HERNDON

ORDER AUTHORIZING REFUND

BY THE COMMISSION:

Hudson Utilities, Inc. (Hudson) provides wastewater treatment to its customers in Pasco County. Since Hudson has no treatment facilities, the actual treatment is accomplished by Pasco County and Hudson is billed for this service on a bulk rate basis.

On July 6, 1988, Pasco County's Board of County Commissioners signed a resolution whereby its wastewater rates to its bulk customers were increased from \$2.00 to \$3.79 per thousand gallons, effective October 12, 1988. Based on this anticipated bulk rate increase, Hudson filed with this Commission a request for a combined 1988 price index and purchased wastewater pass-through rate adjustment pursuant to Subsections (a) and (b) of Section 367.081, Florida Statutes. By Order No. 19980, Hudson's request was acknowledged, with the new rates becoming effective October 12, 1988, the same date Pasco County's new bulk rate became effective.

On December 2, 1988, Pasco County notified Hudson by letter that its Board of County Commissioners had approved a revision in bulk wastewater rates effective November 29, 1988 to \$3.17 per thousand gallons. Upon receipt of notification of

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this reduction in bulk rates by the County, Hudson contacted the Commission. By Order No. 20728, issued February 13, 1989, we reduced the rates accordingly, effective February 1, 1989.

Subsequently, Hudson learned that the \$3.79 per thousand gallon rate was never implemented by Pasco County. Although the County signed a resolution to increase its rates effective October 12, 1988 to \$3.79 per thousand gallons and later informed Hudson by letter that effective November 29, 1988 the rates were revised to \$3.17 per thousand gallons, the utility was never charged \$3.79 per thousand gallons. Pasco County charged Hudson on the basis of \$2.00 per thousand gallons up to the November 15, 1988 meter reading and \$3.17 per thousand gallons thereafter.

Because Hudson bills its residential flat rate customers in advance, it implemented the approved index/pass-through rate adjustment on the residential November 1, 1988 billing, its first billing cycle after October 12, 1988. It bills its general service customers in arrears, based on mid-month readings, so the first billing which affected the general customers is believed to be the December 15, 1988 billing. Hudson was not notified of the revised \$3.17 rate increase until after the December 2, 1988 letter from the County was received, so Hudson's December 1, 1988 billing as also sent out based on \$3.79 rate.

Hudson overcharged its customers for November and December 1988 as well as January of 1989. As soon as this error came to Hudson's attention, it requested permission to make the credit for the overcharges on its July 1, 1989 billing.

Upon consideration, we agree that the refund should be made. The credit should be reflected on each residential customer's July 1, 1989, bill and on each general service customer's mid-July, 1989, bill.

Based upon the foregoing, it is

ORDERED by the Florida Public Service Commission that the request of Hudson Utilities, Inc. to refund certain overcharges to its customers is approved as set forth in the body of this Order. It is further

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ORDERED that this docket may be closed upon Staff's verification that the refund has been made.

By ORDER of the Florida Public Service Commission
this 5th day of JULY, 1989.


STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

NSD

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial

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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 sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.