

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of MARTIN DOWNS)	DOCKET NO. 890545-WS
UTILITIES, INC. for new class of)	ORDER NO. 21539
service in Martin County)	ISSUED: 7-13-89
)	

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTIONORDER APPROVING NEW CLASS OF SERVICE

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

On April 17, 1989, Martin Downs Utilities, Inc. (Martin Downs) filed an application for approval of a new class of service. Martin Downs requested that it be authorized to institute a wholesale rate for water and sewer service sold on a bulk basis for resale. At the time that it filed its application, Martin Downs contemplated providing bulk service to Martin County (County) and Fox Run Utilities, Inc.

On May 18, 1989, the Staff of this Commission (Staff) informed Martin Downs that, without a cost of service study, it could not recommend a bulk rate to be applicable to both regulated and unregulated utilities. Accordingly, Martin Downs requested that Staff consider the proposed bulk rate only insofar as it concerned the County.

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FPSC-RECORDS/REPORTING

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BULK RATE TO MARTIN COUNTY

The County intends to widen both the Palm City Bridge and the approach on State Road No. 714. There are approximately thirty-five small businesses located along this stretch of road which will be unable to continue to use their individual wells and septic tanks due to the widening of the road. These businesses are not currently within Martin Downs' certificated territory. The County wishes to provide water and wastewater service to these entities on a "resale" basis. Martin Downs, therefore, proposes to provide bulk water to the County through a master meter at the rate of eighty percent of its currently approved base facility charge and one-hundred percent of its currently approved gallonage charge, for both water and wastewater service. The twenty percent reduction to the base facility charge reflects a savings in billing, bookkeeping and maintenance for the mains on the County's side of the master meter.

The proposed water rate is the same rate that was approved by this Commission by Order No. 17005, issued March 10, 1987, for the provision of bulk water to the County in order that it could serve a specific area that was being developed. Since that time, Martin Downs' certificate has been amended to include that territory. Since the approved rate was tied to the County's provision of water service to that specific area, the bulk rate tariff page was cancelled when the certificate was amended.

In addition to the previously approved bulk water rate, the current proposal includes a bulk rate for wastewater service. This does not present a problem in this instance because all of the entities that will be served by the County are general service customers. Billings for wastewater service can, therefore, be based upon water meter readings. However, if the County were going to serve residential customers, we do not believe that such water meter-based wastewater billing would be proper. In such a case, the correct method of measuring the flow of effluent would be by a sewage flow meter.

Based upon the discussion above, we find it appropriate to approve the new class of service proposed by Martin Downs. However, we also find it appropriate to restrict the new rate to the circumstances discussed herein, namely, for the provision of water and wastewater service by the County to the approximately thirty-five businesses along State Road 714.

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Martin Downs' currently approved general service rates are attached as Schedules Nos. 1 for water and 2 for wastewater, with a format for billing the County attached as Schedule No. 3.

The approved rates will be effective for service rendered on or after the stamped approval date on the revised tariff pages. The revised tariff pages will be approved upon Staff's verification that the tariffs are consistent with the Commission's decision and that the protest period has expired.

Based upon the discussion above, it is

ORDERED by the Florida Public Service Commission that the provisions of this Order are issued as proposed agency action and will become final unless an appropriate petition is received by the Director of the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0850, by the close of business on August 3, 1989. It is further

ORDERED that the request by Martin Downs Utilities, Inc. for a new class of service is hereby approved, as set forth in the body of this Order. It is further

ORDERED that the new class of service approved herein shall be effective only for Martin County's provision of service to the approximately thirty-five (35) general service customers located along State Road 714, as set forth in the body of this Order. It is further

ORDERED that Martin Downs Utilities, Inc. shall submit revised tariff pages in accordance with our decision in this docket. It is further

ORDERED that the rates approved herein will be effective for meter readings taken on or after thirty (30) days following the stamped approval date on the revised tariff pages. It is further

ORDERED that the revised tariff pages will be approved upon Staff's verification that they accurately reflect this Commission's decision and upon the expiration of the protest period. It is further

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ORDERED that, after August 3, 1989, this Commission will issue either a notice of further proceedings or an order indicating that the provisions of this Order have become final and effective.

By ORDER of the Florida Public Service Commission,
this 13th day of JULY, 1989.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

RJP

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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the

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close of business on August 3, 1989. In the absence of such a petition, this order shall become effective August 4, 1989, as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent 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.

If this order becomes final and effective on August 4, 1989, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by 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 of the effective date 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.

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SCHEDULE NO. 1

MARTIN DOWNS UTILITIES, INC. FIFTH REVISED SHEET NO. 17.0
WATER TARIFF CANCELS FOURTH REVISED SHEET NO. 17.0

RESIDENTIAL AND GENERAL SERVICE
RATE SCHEDULE RS AND GS

AVAILABILITY - Available throughout the area served by the company.

APPLICABILITY - To any customer for which no other schedule applies.

LIMITATIONS - Subject to all of the rules and regulations of this tariff and general rules and regulations of the Commission.

RATE -

Meter Size	Rate
5/8 x 3/4"	\$ 11.64
3/4"	17.76
1"	29.85
1 1/2"	59.17
2"	94.67
3"	189.32
4"	295.81
6"	591.64

Plus \$1.82 per 1,000 gallons of water used.

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) days written notice, service may then be discontinued.

Effective Date: For service rendered on and after July 8, 1989 Peter Cummings, President
1989 Price Index and Pass-Through Rate Adjustment

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SCHEDULE NO. 2

MARTIN DOWNS UTILITIES, INC. FIFTH REVISED SHEET NO. 16.0
SEWER TARIFF CANCELS FOURTH REVISED SHEET NO. 16.0

GENERAL SERVICE
RATE SCHEDULE GS

AVAILABILITY - Available throughout the area served by the company.

APPLICABILITY - To any customer for which no other schedule applies.

LIMITATIONS - Subject to all of the rules and regulations of this tariff and general rules and regulations of the Commission.

RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8 x 3/4"	\$ 11.83
3/4"	17.76
1"	29.60
1 1/2"	59.16
2"	94.66
3"	189.33
4"	295.82
6"	591.65

Plus \$2.43 per 1,000 gallons of water used.

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) days written notice, service may then be discontinued.

Effective Date: For service rendered on and after July 8, 1989
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Peter Cummings, President

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SCHEDULE NO. 3

SPECIAL RATE - MARTIN COUNTYMONTHLY BILLING METHODWATER

BASE FACILITY CHARGE:

- (1) _____ ERCs Connected @ \$9.47
 _____ ERCs Reserved Capacity @ \$5.92
 Total Base Facility Charge
 _____ Gallons @ \$1.82 per 1,000
 (2) Total Amount Billed

(1) Monthly ERC connected load to be determined by multiplying the number of connections by meter size times the meter size factor. In no case is the current month's ERC connected load to be less than any previous month's high ERC connected load.

(2) (A) Base facility charge ERC connected load revenues plus gallonage revenues are to be recorded as operating revenues.

(B) Base facility charge ERC reserved capacity revenues are to be recorded as guaranteed revenues.

WASTEWATER

BASE FACILITY CHARGE:

- (1) _____ ERCs Connected @ \$9.46
 _____ ERCs Reserved Capacity @ \$4.70
 Total Base Facility Charge
 _____ Gallons @ \$2.43 per 1,000
 (2) Total Amount Billed

(1) Monthly ERC connected load to be determined by multiplying the number of connections by meter size times the meter size factor. In no case is the current month's ERC connected load to be less than any previous month's high ERC connected load.

(2) (A) Base facility charge ERC connected load revenues plus gallonage revenues are to be recorded as operating revenues.

(B) Base facility charge ERC reserved capacity revenues are to be recorded as guaranteed revenues.