

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of SOUTHERN STATES)	DOCKET NO. 890860-WS
UTILITIES, INC., AMELIA ISLAND, for)	
1989 price index and pass-through rate)	ORDER NO. 21784
adjustments in Nassau County.)	
)	ISSUED: 8-24-89

ORDER ACKNOWLEDGING INDEXING
AND PASS-THROUGH RATE ADJUSTMENTS

BY THE COMMISSION:

On July 5, 1989, Southern States Utilities, Inc. (Utility) notified this Commission of its intention to increase rates to the customers of its Amelia Island system in Nassau County by application of the price-indexing and pass-through provisions of Subsections 367.081(4)(a) and (b), Florida Statutes, respectively, and Rules 25-30.420 and 25-30.425, Florida Administrative Code, respectively.

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.

The Utility also intends to pass through to its customers an increase in its ad valorem taxes. The Utility waived its right to place the pass-through rates into effect thirty days from the filing date of this notice and states that these rates are to become effective simultaneously with the indexing adjustment.

The documentation submitted by the Utility in support of its indexing and pass-through notice meets the Commission's requirements, as set forth in Rules 25-30.420 and 25-30.425, Florida Administrative Code. In compliance with said rules, 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 pass-through provisions and the application of the price index to certain operation and maintenance expenses.

Applying increase factors of 1.0122 and 1.0106 to the existing rate schedules results in increased water and sewer

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revenues of \$4,695 and \$4,778, respectively, for Southern States' Amelia Island system. The schedules of our computations are as follows:

1989 Price Index and Pass-Through Application
Test Year Ended December 31, 1988

	<u>Water</u>	<u>Sewer</u>
1988 Operation and Maintenance Expenses	\$ 117,093	\$ 133,628
Less: (1) Pass-through Item:		
(a) Purchased Power	(21,445)	(38,832)
(2) Rate Case Expense Included in 1988 O & M Expenses	(_____ 24)	(_____ 19)
Costs to be Indexed	\$ 95,624	\$ 94,777
Multiply by Change in GNP Implicit Price Deflator Index	x _____ .0435	x _____ .0435
Additional O & M Expenses	\$ 4,160	\$ 4,123
Pass-through Item:		
Increase in Ad Valorem Taxes	_____ 418	_____ 536
Total Increased Expenses	\$ 4,578	\$ 4,659
Divide by Expansion Factor for Regulatory Assessment Fees	÷ _____ .975	÷ _____ .975
Increase in Revenue	\$ 4,695	\$ 4,778
Divide by 1988 Revenues	÷ _____ 386,379	÷ _____ 450,031
Percentage Increase	_____ 1.22%	_____ 1.06%
Increase Factor to Apply to Existing Rate Schedules	_____ 1.0122	_____ 1.0106

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Rates which will allow the Utility to recognize this increase for its Amelia Island system are as follows:

WATER (1.22% Increase)
Monthly Rates

Residential and General Service

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Existing</u>	<u>New</u>
5/8" x 3/4"	\$ 9.05	\$ 9.16
3/4"	\$ 13.58	\$ 13.75
1"	\$ 22.64	\$ 22.92
1-1/2"	\$ 45.29	\$ 45.84
2"	\$ 72.46	\$ 73.34
3"	\$ 144.92	\$ 146.69
4"	\$ 226.46	\$ 229.22
6"	\$ 452.89	\$ 458.42
 <u>Gallonge Charge</u> Per 1,000 Gallons	 \$.95	 \$.96

Fire Protection
Semi-Annual Billing

<u>Main Size</u>	<u>Existing</u>	<u>New</u>
2"	\$ 348.81	\$ 353.07
3"	\$ 579.71	\$ 586.78
4"	\$1090.06	\$1103.36
6"	\$2180.14	\$2206.74
8"	\$3488.20	\$3530.76

Fire Hydrants
Annual Rates
(Paid Semi-Annually in Advance)

	<u>Existing</u>	<u>New</u>
Fire Hydrants	\$ 82.58	\$ 83.59

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SEWER (1.06% Increase)
Monthly Rates

Residential Service

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Existing</u>	<u>New</u>
5/8" x 3/4"	\$ 17.94	\$ 18.13
Full 3/4"	\$ 17.94	\$ 18.13
1"	\$ 17.94	\$ 18.13
1-1/2"	\$ 17.94	\$ 18.13
2"	\$ 17.94	\$ 18.13
 <u>Gallonage Charge</u>		
Per 1,000 Gallons (10,000 Gallons Maximum)	\$ 1.49	\$ 1.51

General Service

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Existing</u>	<u>New</u>
5/8" x 3/4"	\$ 17.94	\$ 18.13
Full 3/4"	\$ 26.91	\$ 27.20
1"	\$ 46.00	\$ 46.49
1-1/2"	\$ 89.71	\$ 90.66
2"	\$ 143.53	\$ 145.05
3"	\$ 287.06	\$ 290.10
4"	\$ 448.53	\$ 453.28
6"	\$ 897.08	\$ 906.59
 <u>Gallonage Charge</u>		
Per 1,000 Gallons	\$ 1.49	\$ 1.51

It is, therefore,

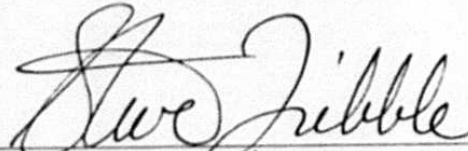
ORDERED by the Florida Public Service Commission that the indexing and pass-through application of Southern States Utilities, Inc., 1000 Color Place, Apopka, Florida 32703, is hereby acknowledged. It is further

ORDERED that the rates contained herein shall become effective for service rendered on or after September 3, 1989, subject to approval of revised tariff sheets and customer notice as previously indicated in this Order. It is further

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ORDERED that the tariff sheets submitted with the Utility's application reflect the rates set forth in this Order, and Docket No. 890860-WS may be closed upon Staff's approval of the tariff sheets.

By Order of the Florida Public Service Commission,
this 24th day of AUGUST, 1989.



STEVE TRIBBLE, Director
Division of Records and Reporting

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