

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for Approval of) DOCKET NO. 930455-WS
Tariff Filings for Authority to) ORDER NO. PSC-93-1171-FOF-WS
Continue Existing Billing Policy) ISSUED: August 10, 1993
in Broward County by ROYAL)
UTILITY COMPANY.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

ORDER DENYING TARIFFS, REQUIRING UTILITY TO
SUBMIT TARIFF SHEETS, AND GRANTING STAFF AUTHORITY TO
ADMINISTRATIVELY APPROVE TARIFFS WITH SPECIFIC LANGUAGE

BY THE COMMISSION:

Royal Utility Company (Royal or utility) is a class B utility which provides water and wastewater service to customers in Broward County. According to the 1991 annual report, the utility provides service to 1,329 water and 1,209 wastewater customers. The utility reported operating revenues of \$330,105 for water and \$319,526 for wastewater. Royal's operating expenses were \$281,780 and \$361,154 for water and wastewater, respectively. The 1991 annual report reflected that the utility had a net operating income of \$48,325 for water and a net operating loss of \$54,108 for wastewater.

Royal's rates were last established in a previous rate case by Order No. 12170, issued June 24, 1983. At that time, the utility was owned by University Utility Corporation. By Order No. 19867, issued August 22, 1988, the transfer of Certificates Nos. 259-W and 199-S from University Utility Corporation to Royal was approved.

On November 23, 1992, Royal submitted an application for the 1992 price index rate adjustment. Upon reviewing the application, we discovered that the utility charged some customers unauthorized rates. Specifically, the utility charged 194 1" meter water customers the 5/8" x 3/4" meter rate. It was the utility's belief that it was required by the City of Coral Springs Ordinance No. 90-167 to install at a minimum, 1" meters.

DOCUMENT NUMBER-DATE

08525 AUG 10 93

1993 RECORDS/REPORTING

On February 5, 1993, the utility filed a tariff revision to include language on the rate schedule reflecting the utility's billing practice relating to the 1" meter customers within the city limits of the City of Coral Springs. On July 6, 1993, the utility filed another tariff revision to grandfather the utility's current billing practice with regard to the 1" meter customers. Further, this tariff includes specific language on the rate schedule which reflects the billing practice of charging certain 1" meter customers the 5/8" x 3/4" rate.

On July 20, 1993, the utility submitted a copy of a letter dated July 15, 1993, sent from the City of Coral Springs Chief Plumbing Inspector to Royal. This letter indicates that the South Florida Building Code requires Royal to install at a minimum 1" meters. The City Inspector has interpreted the Building Code to represent that 1" meters were required in this instance.

In consideration of the foregoing, we find it appropriate to deny Royal's tariffs. However, Royal has submitted proposed language that we believe is appropriate. Therefore, we find it appropriate to permit our Staff to administratively approve tariff sheets reflecting the following language:

The City of Coral Springs requires installation of 1" meters at a minimum on all water services provided by the utility. In situations where the utility believes the customer would otherwise be entitled to a 5/8" x 3/4" meter, but for the existence of the prevailing South Florida Building Code, the utility will bill that customer at the 5/8" rate for such service.

The utility shall submit, within 14 days of the effective date of this Order, tariff sheets which reflect the above language. Upon expiration of the protest period, if no protests have been received and upon Staff's verification that the tariff pages are consistent with the decision herein, this docket shall be closed.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that the tariffs filed by Royal Utility Company are denied. It is further

ORDERED that Royal Utility Company shall include the language set forth in the body of the Order in tariff sheets to be submitted. It is further

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ORDERED that Royal Utility Company shall, within 14 days of the effective date of this Order, submit tariff sheets which reflect our decision herein. It is further

ORDERED that this docket shall be closed upon Staff's verification that the tariff sheets are consistent with our decision herein and upon expiration of the protest period if no timely protests are received.

By ORDER of the Florida Public Service Commission this 10th day of August, 1993.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

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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 Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), 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 close of business on August 31, 1993.

In the absence of such a petition, this order shall become final on the day subsequent to the above date.

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 on the date described above, 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 wastewater 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 date this Order becomes final, 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.