

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for transfer) DOCKET NO. 930570-WS
of Certificates Nos. 414-W and) ORDER NO. PSC-94-1465-FOF-WS
347-S and facilities from Lake) ISSUED: November 29, 1994
Placid Utilities in Highlands)
County to LAKE PLACID UTILITIES,)
INC.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER DENYING MOTION FOR RECONSIDERATION
AND GRANTING PETITION TO SET RATE BASE

BY THE COMMISSION:

On June 8, 1993, Lake Placid Utilities, Inc. (LPUI) filed an application to transfer Certificates Nos. 414-W and 347-S and the water and wastewater facilities from Lake Placid Utilities to LPUI. By Order No. PSC-93-1448-FOF-WS, issued October 4, 1993, this Commission approved the transfer. However, we left the docket open pending LPUI's completion of an original cost study, for the purpose of establishing the transfer rate base.

On July 7, 1994, the Staff of this Commission (Staff) filed a recommendation that we establish rate base and close the docket. Since the sale price resulted in a negative acquisition adjustment, which was not addressed in Staff's recommendation, by Order No. PSC-94-0953-FOF-WS, issued August 8, 1994, we deferred the issues of rate base and the acquisition adjustment until LPUI's next rate proceeding.

On August 18, 1994, LPUI filed a motion for reconsideration of Order No. PSC-94-0953-FOF-WS. In the alternative, LPUI petitioned this Commission to establish rate base and consider the issue of the acquisition adjustment. In its motion, LPUI argued that, since the original cost study has recently been prepared, has been audited by Staff, its author is available now but may not be in the future, and since LPUI has no immediate plans to file a rate proceeding, it would be "more efficient for the Commission to rule

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on this matter now, not later." In addition, LPUI argued that it "believes that there may have been some confusion about the basis for the Order Deferring Establishment of Rate Base..." LPUI, therefore, requested that we reconsider Order No. PSC-94-0953-FOF-WS.

LPUI's argument as to why we should reconsider Order No. PSC-94-0953-FOF-WS is not persuasive. LPUI has identified no error or omission of fact or law. Accordingly, LPUI's motion for reconsideration is denied. Notwithstanding the above, LPUI's argument does present a compelling rationale to support its alternative petition to establish rate base and consider the acquisition adjustment issue. Accordingly, we hereby grant LPUI's alternative petition to establish rate base and consider the acquisition adjustment issue. We shall address these matters at a subsequent agenda conference.

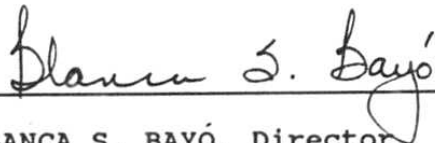
It is, therefore,

ORDERED by the Florida Public Service Commission that Lake Placid Utilities, Inc.'s motion for reconsideration of Order No. PSC-94-0953-FOF-WS is denied. It is further

ORDERED that Lake Placid Utilities, Inc.'s alternative petition to establish rate base and consider the acquisition adjustment issue is granted. It is further

ORDERED that this docket shall remain open pending our resolution of the rate base and acquisition adjustment issues.

By ORDER of the Florida Public Service Commission, this 29th day of November, 1994.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

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NOTICE OF 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 judicial 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 wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, 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.