

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of ) DOCKET NO. 941031-WS  
revised tariff sheets by GULF ) ORDER NO. PSC-94-1512-FOF-WS  
UTILITY COMPANY in Lee County ) ISSUED: December 8, 1994  
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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 APPROVING REVISED TARIFF SHEETS CONTAINING NEW RATES  
AND CHARGES FOR 3/4" AND 2" METERS

BY THE COMMISSION:

Gulf Utility Company (GUC or utility) is a Class A utility providing water and wastewater service in Lee County. The utility provides approximately 6,109 customers with water and 1,867 customers with wastewater service. In 1993, GUC reported operating revenues of \$484,758 and \$272,228, and a net operating income of \$55,967 and \$31,033, for its water and wastewater systems, respectively.

On September 30, 1994, GUC filed a request for approval of revised tariff sheets pursuant to Section 367.091, Florida Statutes. Section 367.091(2), Florida Statutes, requires each utility's rates, charges, and customer service policies to be contained in a tariff approved by this Commission. Further, Rule 25-30.135(2), Florida Administrative Code, prohibits a regulated utility from modifying or revising its rules or regulations or its charges until it files and receives approval from this Commission for any such modification or revision. The tariff revisions proposed by GUC include an increase in the approved meter installation charge for 2" meters to cover the actual costs of installation, and new rates and charges for customers with 3/4" meters. The utility has provided us with cost justifications for the proposed rates and charges at issue, as required by Section 367.091(5), Florida Statutes.

GUC proposes that actual costs should be charged for installation of 2" meters. We find the actual cost of a 2" meter,

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strainer, and backflow preventor is now approximately \$1,290. GUC's current tariff allows charges of \$545 for this size meter installation. Due to the increase in these costs, we agree that actual costs should be charged for 2" meter installations. We therefore approve GUC's proposed change in the current 2" meter installation charge from \$545 to the actual cost of installation.

Subsection 367.091(4), Florida Statutes, provides us with the authority to approve rates or charges for new classes of service which we find are just, reasonable, and compensatory. GUC proposes to offer service by way of 3/4" meters, and to charge the same meter installation charge for 3/4" meters as is currently approved for 5/8" x 3/4" meters. We find the actual cost difference between the 3/4" meter and the 5/8" x 3/4" meter to be \$24.07. All other costs for installing the meters are the same. We find the \$115 meter installation charge currently approved for 5/8" x 3/4" meters to be a just, reasonable, and compensatory meter installation charge for 3/4" meters, as well. We therefore approve the utility's proposed meter installation charge of \$115 for 3/4" meters.

In accordance with the above, we approve the following proposed tariff sheets, which contain a change in the current meter installation charge for 2" meters from \$545 to the actual cost of installation, and a new meter installation charge of \$115 for 3/4" meters: Seventh Revised Wastewater Tariff Sheet No. 23.3; Fourth Revised Water Tariff Sheet No. 24.0; and Second Revised Water Tariff Sheet No. 33.0. These charges shall be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, Florida Administrative Code.

GUC also proposes a base facility charge for 3/4" residential water meters equal to 1.5 times the current 5/8" x 3/4" meter base facility charge. According to American Waterworks Association (AWWA) standards, the appropriate equivalent residential connection (ERC) factor for 3/4" meters is 1.5 ERCs. The current base facility charge approved for 5/8" x 3/4" meters is \$8.52. Accordingly, we find the utility's proposed base facility charge of \$12.78 for 3/4" meters to be just, reasonable, and compensatory.

There are currently two customers with 3/4" meters already being served by GUC. These customers are presently charged the 5/8" x 3/4" base facility charge contained in GUC's tariff. Pursuant to Rule 25-30.475, Florida Administrative Code, GUC shall provide these customers with adequate notice of the new base facility charge for 3/4" meters. GUC shall provide proof that all customers currently being served with 3/4" meters have received

notice of this charge within ten days after the date of the notice. The proposed tariff sheet which contains this charge is Sixth Revised Water Tariff Sheet No. 18.0. This tariff sheet shall not be implemented until after our staff approves the customer notice. Provided the customers with 3/4" meters receive proper notice of the new base facility charge, this charge shall be effective for service rendered on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, Florida Administrative Code.

If no timely protest is filed, this docket shall be closed. In the event that a timely protest is filed, the tariffs shall remain in effect held subject to refund pending resolution of the protest.

Based on the foregoing, it is therefore

ORDERED by the Florida Public Service Commission that Gulf Utility Company's tariff filings to change the 2" meter installation charge from \$545 to actual costs of installation for water service is hereby approved. It is further

ORDERED that Gulf Utility Company's tariff filings containing a new meter installation charge of \$115 for 3/4" meters for water service is hereby approved. It is further

ORDERED that Gulf Utility Company's tariff filing containing a new base facility charge of \$12.78 for 3/4" residential water meters shall be approved after our staff's approval of the customer notice, as set out in the body of this order. It is further

ORDERED that the tariff revisions approved herein shall become effective for services rendered on or after the stamped approval date on the tariff sheets. It is further

ORDERED that the tariff revisions approved herein are interim in nature and shall become final unless a substantially affected person files a petition for a formal proceeding which is received by the Director, Division of Records and Reporting, by the date set forth in the Notice of Further Proceedings or Judicial Review set forth below. It is further

ORDERED that if a timely protest is filed in accordance with the requirements set forth below, this tariff shall remain in effect subject to refund pending resolution of the protest. It is further

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ORDERED that if no timely protest is filed, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 8th day of December, 1994.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

by: Kay Lynn  
Chief, Bureau of Records

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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 these tariffs 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, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on December 29, 1994.

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.

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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.