

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 950052-SU
revised tariff sheets to provide) ORDER NO. PSC-95-0376-FOF-SU
option of paying service) ISSUED: March 16, 1995
availability charge in)
installment payments in Pasco)
County by Hudson Bay Company)
d/b/a Hudson Utilities, Inc.)

The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING TARIFF WITH PAYMENT PLAN OPTION
FOR SERVICE AVAILABILITY CHARGES

BY THE COMMISSION:

Hudson Utilities, Inc., d/b/a Hudson Bay Company (Hudson or utility) is a class B wastewater utility in Pasco County. The utility currently serves about 850 residential and 66 general service customers in Hudson, Florida. According to the 1993 annual report, the utility had a total operating revenue of \$427,721 and a net operating loss of \$116,835.

Pursuant to Section 367.091(2), Florida Statutes, a utility's rates, charges, and customer service policies must be contained in a tariff approved by this Commission. On December 22, 1994, in accordance with Section 367.091, Florida Statutes, the utility submitted proposed revised tariff sheets containing language that offers all applicants for wastewater service the option of paying the service availability charge in up to 24 equal monthly installment payments.

The utility is currently undertaking an expansion program which will entail approximately \$7,000,000 in additional plant expenditures. A system capacity charge is collected for all new wastewater connections. This charge represents the customer's prorata share of the cost of the wastewater collection system. The utility has also requested approval to terminate service for nonpayment of installment charges.

DOCUMENT NUMBER-DATE

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Upon review of the filing and the utility's justification, we find that the tariff request appears reasonable. In consideration of the foregoing, the utility's proposed revised wastewater tariff sheets reflecting the option of paying service availability charges in up to 24 equal monthly installment payments are approved. Specifically, Third Revised Sheet No. 23.0, Third Revised Sheet No. 24.0, Original Sheet No. 27.0, and Original Sheet No. 27.1, shall be stamped approved and shall become effective for new connections made on or after the stamped approval date of the revised tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code.

The utility may include the installment charges in its bills for wastewater utility service under a separate line item. With regard to the request to discontinue service for nonpayment, such discontinuance of service is contingent upon the provisions of Rule 25-30.320(2)(g), Florida Administrative Code. Further, the utility shall be entitled to charge and collect from the applicant interest on the outstanding principal and accrued interest. The rate of such interest, currently 10.28%, for each installment arrangement shall be the then average debt cost of the utility.

If a timely protest is not received by a substantially affected person, no further action is required and 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. In the event of a protest, the appropriate security of the monies will be addressed at that time.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Hudson Bay Company d/b/a Hudson Utilities, Inc.'s tariff request to offer a payment plan for service availability charges, as set forth above, is hereby approved. It is further

ORDERED that the tariff sheets approved herein shall be effective for new connections made on or after the stamped approval date of the revised tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code. It is further

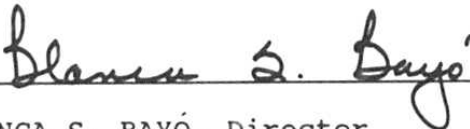
ORDERED that the tariff sheets approved herein are interim in nature and shall become final unless a substantially affected person files a petition for a formal proceeding which is received by the Director, Division of Records and Reporting, by the date set forth in the notice of Further Proceedings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

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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, if any, pending resolution of the protest. It is further

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

By ORDER of the Florida Public Service Commission, this 16th day of March, 1995.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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