

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Countywide
Utility Company for approval of
tariff filing for new customer
classification for 1" meter in
Marion County.

DOCKET NO. 980616-WU
ORDER NO. PCS-98-0971-FOF-WU
ISSUED: July 16, 1998

The following Commissioners participated in the disposition of
this matter:

JULIA L. JOHNSON, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.

ORDER APPROVING TARIFF FILING FOR NEW
CUSTOMER CLASSIFICATION FOR ONE-INCH METER SERVICE
AND DENYING TARIFF CHANGE
FOR 5/8 x 3/4 INCH METER SERVICE

BY THE COMMISSION:

BACKGROUND

Countywide Utility Company (utility) is a Class C utility
located in Marion County. The utility provides water service only.
Based on the 1997 annual report, the utility had 374 customers, all
residential; recorded revenues of \$77,047 and expenses of \$82,800,
resulting in a net operating loss of \$5,753.

On May 6, 1998, the utility filed for approval of a general
service tariff sheet containing a new customer classification for
a one-inch meter pursuant to Section 367.091, Florida Statutes. On
April 23, 1998, the utility added a general service customer who
receives water through a one-inch meter. The current tariff only
contains charges for the 5/8 x 3/4 inch meter. In the utility's
proposed tariff sheet, it was also noted that the utility changed
the block ranges of water consumption for its 5/8 x 3/4 inch meter
from its currently approved tariff without any justification as
required by the aforementioned statute.

DOCUMENT NUMBER-DATE

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REGISTRATION REPORTING

ONE-INCH METER SERVICE

Section 367.091(4), Florida Statutes, requires that if a utility service request is for a new class of service not previously approved by the Commission, "the utility may furnish the new class of service and fix and charge just, reasonable, and compensatory rates or charges therefore." The utility's proposed charge for the one-inch meter was calculated by using the 5/8 x 3/4 inch size meter as a foundation, and then applying the AWWA's meter equivalent factor as the usage characteristics on the foundation (2.5 times the 5/8 x 3/4 inch meter charge).

Section 367.091(4), Florida Statutes, also states that a schedule of rates or charges shall be filed with the Commission within 10 days after a new class of service not previously approved by the Commission is furnished. The utility began providing the one-inch meter service to the customer on April 23, 1998. The utility timely filed its application for a new class of service on May 4, 1998.

Pursuant to Rule 25-9.005(4), Florida Administrative Code, a utility which files a new or additional service classification or rate schedule must provide the estimated annual revenue to be derived from the service and the estimated number of customers to be served. The utility could not accurately estimate annual revenue to be derived from the one-inch meter service due to a variety of factors. However, the utility expects the revenue derived from the one-inch meter service to be \$50 to \$100 per month, resulting in annual revenues of \$600 to \$1,200. According to the utility, there may be three or four more customers over the next few years that may request this service.

Pursuant to Section 367.091(4), Florida Statutes, we find the utility's proposed charge for the one-inch meter service to be just, reasonable, and compensatory. Therefore, the utility's application for a new customer classification for one-inch meter service is approved.

5/8 x 3/4 INCH METER SERVICE

Pursuant to Section 367.091(3), Florida Statutes, a utility is only authorized to "impose and collect those rates and charges approved by the commission for the particular class of service involved." The utility changed the block ranges of water consumption for its 5/8 x 3/4 inch meter from its currently

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approved tariff without any justification. A change in any rate schedule may not be made without our approval. Therefore, we find that the utility shall charge for the 5/8 x 3/4 inch meter service according to the tariff sheet effective on June 1, 1998.

The new one-inch meter rate contained in the revised tariff sheet shall become effective on or after the stamped approval date on the revised tariff sheet pursuant to Rule 25-30.475(1), Florida Administrative Code, provided the customers have received notice. The utility shall provide proof of the date notice was given within 10 days after the notice date.

The proposed declining rate structure for both the 5/8 x 3/4 inch meter and the one-inch meter may not be consistent with our conservation water usage policy. The utility should be on notice that our staff will review this utility's rate structure in the next few months to determine if changes are appropriate. Upon expiration of the protest period, if a timely protest is not received, this docket shall remain open pending further staff analysis.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Countywide Utility Company's implementation of a new customer classification for one-inch meter service is approved as set forth herein. It is further

ORDERED that Countywide Utility Company shall charge for the 5/8 x 3/4 inch meter service as set forth herein. It is further


ORDERED that the one-inch meter service tariff shall become effective on or after the stamped approval date on the revised tariff sheets, provided customers have received notice. It is further

ORDERED that Countywide Utility Company shall provide proof of the date notice was given within 10 days after the date of the notice. It is further

ORDERED that if no protest is filed, the docket shall remain open pending further analysis by staff.

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By ORDER of the Florida Public Service Commission this 16th
day of July, 1998.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

SAM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on August 6, 1998.

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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.