

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Disposition of
contributions-in-aid-of-
construction (CIAC) gross-up
funds collected by Gulf Utility
Company in Lee County.

DOCKET NO. 980943-WS
ORDER NO. PSC-99-2371-PAA-WS
ISSUED: December 6, 1999

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTION
ORDER REQUIRING UNCLAIMED REFUNDS TO BE SUBMITTED TO THE OFFICE
OF THE COMPTROLLER

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

Gulf Utility Company (Gulf or utility), is a Class A utility providing service to approximately 7,282 water and 2,584 wastewater customers in Lee County. According to its 1997 annual report, the utility reported gross operating revenues of \$2,068,756 and \$1,556,271 for water and wastewater, respectively, and a net operating income of \$108,751 for water and \$278,885 for wastewater.

By Order No. PSC-98-1626-FOF-WS, issued December 7, 1998, in this docket, we required refunds for the years 1992-1994. However, no refunds were required for 1995 and 1996. The utility was ordered to complete the refunds within six months of the effective date of the order and provide verification that the refunds had

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been made. Further, the utility was to provide a list of unclaimed refunds detailing the contributor and the amount, and an explanation of the efforts made to make the refunds.

Based on the information provided by the utility, there are some unclaimed refunds. Generally, when there are unclaimed refunds, the utility treats the unclaimed refunds as cash contributions-in-aid-of-construction in accordance with Rule 25-30.360(8), Florida Administrative Code. However, this utility was sold to Gulf Environmental Services, Inc., on June 30, 1998. We acknowledged this transfer in Docket No. 980767-WS, by Order No. PSC-98-1642-FOF-WS, issued December 7, 1998.

DISPOSITION OF UNCLAIMED REFUNDS

By Order No. PSC-98-1626-FOF-WS, issued December 7, 1998, we ordered Gulf to refund \$5,724 for 1992, \$11,643 for 1993 and \$23,102 for 1994, for a total of \$40,469 of excess gross-up funds collected. Upon completion of the refund, the utility reported that it had a total of \$6,575.54 of unclaimed refunds. Of this total, 60 checks totaling \$5,786.11 remain outstanding and have not been cashed. An additional 25 checks totaling \$789.43 were returned by the postal service as "undeliverable". The utility states that it checked with the post office, in the telephone directory, and with directory assistance and has no further leads as to the whereabouts of these contributors.

In accordance with Rule 25-30.360(8), Florida Administrative Code, any unclaimed refunds shall be treated as cash contributions-in-aid-of-construction. However, in this instance, the utility has been transferred to a nonjurisdictional entity. Therefore, the unclaimed refunds shall be remitted to the State of Florida Comptroller's Office as abandoned property. By reporting the unclaimed refunds to the State of Florida Comptroller's Office, it would assure that the customers that have subsequently moved from the utility system's service area, and therefore, did not receive a refund check, have ample opportunities to claim any refunds. The Comptroller's Office publishes the name, address, and the amount in newspapers throughout Florida.

CLOSING OF DOCKET

Upon expiration of the protest period, if a timely protest is not filed by a substantially affected person, this Order shall become final and effective upon the issuance of a consummating

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order. The utility shall provide proof that the unclaimed refunds have been delivered to the State of Florida Comptroller's Office as abandoned property. Pending verification that the unclaimed refunds have been delivered to the State of Florida Comptroller's Office, this docket shall remain open. Upon receiving verification, our staff shall administratively close the docket.

Based on the foregoing, it is

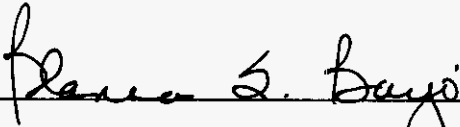
ORDERED by the Florida Public Service Commission that Gulf Utility Company shall remit unclaimed refunds to the State of Florida Comptroller's Office as abandoned property. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that Gulf Utility Company shall provide proof that the unclaimed refunds have been delivered to the State of Florida Comptroller's Office as abandoned property. It is further

ORDERED that upon receipt of verification, this docket shall be administratively closed.

By ORDER of the Florida Public Service Commission this 6th day of December, 1999.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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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 that is available under Section 120.57, 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 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 action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, 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 December 27, 1999.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

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.