

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for approval of new class of service for private fire protection water service in Seven Springs system in Pasco County, by Aloha Utilities, Inc.

DOCKET NO. 041176-WU
ORDER NO. PSC-04-1257-TRF-WU
ISSUED: December 20, 2004

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

ORDER APPROVING NEW CLASS OF SERVICE
FOR PRIVATE FIRE PROTECTION WATER SERVICE

BY THE COMMISSION:

Aloha Utilities, Inc. (Aloha or utility) is a Class A water and wastewater utility in Pasco County. The utility consists of two distinct service areas: Aloha Gardens and Seven Springs. This docket relates to the Seven Springs service area, which has approximately 10,427 residential water customers and 301 commercial water customers.

On October 1, 2004, Aloha filed an application requesting approval of a new class of service for a private fire protection water tariff. The tariff application was filed as a result of an informal complaint filed with the Commission by Bergen Materials Corporation (Bergen or customer). Bergen was required by the Pasco County Fire Marshall to have a 4-inch water line to provide sufficient fire flow capacity. Because Aloha had no private fire protection tariff, it required Bergen to have water and wastewater services based on the 4-inch meter size. Bergen requested that Aloha provide it with private fire protection service and separate its present service into two lines, a dedicated fire line and a potable water line.

We have jurisdiction in this case pursuant to Section 367.091, Florida Statutes, and we approve Aloha's request to establish a private fire protection water tariff for its Seven Springs service area. Aloha has provided cost justification for its proposed tariff in accordance with Section 367.091(1), Florida Statutes. Bergen is presently paying a base facility charge of \$102.68 for water and \$352.00 for wastewater per month for a 4-inch meter. The proposed base facility charges will be \$20.54 for water and \$70.40 for wastewater for a one and one-half inch meter for potable water and a base facility charge of \$8.56 per month for a 4-inch meter for private fire protection. The gallonage charge for usage will remain the same for both water and wastewater. On a yearly basis, these charges will result in an annual expense reduction for Bergen of \$4,262.16.

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While Aloha applied for this new class of service at the request of one customer, Aloha has stated that the tariff would be available to any customer requesting private fire protection service, provided that the customer demonstrates that the private fire protection line is dedicated for fire protection services and is not connected to a separate domestic water service line. Also, to receive service under this tariff, each customer must provide the appropriate metering devices and hardware for service. We find that this requirement for service is reasonable because meter connection costs are borne by each customer. In Order No. PSC-98-0025-FOF-WU, issued January 5, 1998, in Docket No. 970659-WU, In Re: Request for approval of tariffs concerning installation of service meter and cross-connection control device for private fire protection service customers in Lee County by Florida Cities Water Company-Lee County Division, we found that the installation costs for private fire protection service should not be the utility's responsibility because the service does not benefit the general body of ratepayers. Here, likewise, each Aloha customer will be responsible for constructing or reconfiguring its on-site system and providing the appropriate plans and engineering specifications to Aloha for verification of the complete separation of fire flow and domestic service.

For the reasons mentioned above we find that Aloha's proposed tariff is reasonable. The utility shall file a proposed customer notice to reflect the Commission-approved rates, which shall be effective for service rendered on or after the stamped approval date of the tariff, pursuant to Rule 25-30.475(1), Florida Administrative Code, provided that our staff has reviewed and approved the notice. Within 10 days of the date this Order becomes final, Aloha shall provide notice of the new class of service in the Seven Springs service area to all current general service customers and to all persons who have filed a written request for general service, or who have been provided a written estimate for general service within the 12 calendar months prior to October 1, 2004. Aloha shall provide the Commission proof that the customers have received notice within 10 days after the date that the notice was sent. Further, pursuant to Rule 25-30.330(5), Florida Administrative Code, upon the request of any customer, Aloha shall provide a copy or explanation of the utility's rates applicable to the customer's classification for service and shall assist the customer in obtaining the rate that is most advantageous for the customer's service requirements.

It is therefore

ORDERED by the Florida Public Service Commission that the application for approval of new class of service for private fire protection water service in Seven Springs system in Pasco County, by Aloha Utilities, Inc. is granted, effective for service rendered on or after the stamped approval date of the tariff, pursuant to Rule 25-30.475(1), Florida Administrative Code, provided that our staff has reviewed and approved the notice. It is further

ORDERED that Aloha shall file a proposed customer notice to reflect the Commission-approved rates. Within 10 days of the date this Order becomes final, Aloha shall provide notice of the new class of service in the Seven Springs service area to all current general service customers and to all persons who have filed a written request for general service, or who have been provided a written estimate for general service within the 12 calendar months prior to October 1, 2004. Aloha shall provide the Commission proof that the customers have received notice within 10 days after the date that the notice was sent. Further, pursuant to Rule 25-

30.330(5), Florida Administrative Code, upon the request of any customer, Aloha shall provide a copy or explanation of the utility's rates applicable to the customer's classification for service and shall assist the customer in obtaining the rate that is most advantageous for the customer's service requirements. It is further

ORDERED that this Order shall become final 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 the Commission Clerk and Administrative Services, 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 this tariff shall be closed upon the issuance of a Consummating Order and our staff's verification of the utility's compliance with the noticing requirements. If a protest is filed within 21 days of the issuance of the Commission's Order, the tariff shall remain in effect with all revenues held subject to refund pending resolution of the protest.

By ORDER of the Florida Public Service Commission this 20th day of December, 2004.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records

(SEAL)

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NOTICE OF FURTHER PROCEEDINGS

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 proposed action files 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 the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 10, 2005.

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.