BEFORE THE PUBLIC SERVICE COMMISSION

In re: Request for approval of revision to general service tariff in Pinellas County by Ranch Mobile WWTP, Inc. DOCKET NO. 050349-SU ORDER NO. PSC-05-0774-TRF-SU ISSUED: July 26, 2005

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman J. TERRY DEASON RUDOLPH "RUDY" BRADLEY LISA POLAK EDGAR

ORDER REVISING RANCH MOBILE WWTP, INC.'S GENERAL SERVICE TARIFF

BY THE COMMISSION:

Ranch Mobile WWTP, Inc. (WWTP or the utility) is a Class C utility which provides wastewater service to four customers, Ranch Mobile Inc. (Ranch Mobile), Down Yonder, and Twin Palms, which are mobile home parks, and a restaurant. The utility purchases wastewater treatment service from the City of Largo (City), and is billed by Pinellas County.

By Order No. PSC-05-0287-PAA-SU, issued March 17, 2005, in Docket No. 040972-SU, In re: Application for rate increase in Pinellas County by Ranch Mobile WWTP, Inc., the utility was granted a 30.78% rate increase for phase one of a three-phase project to rehabilitate its wastewater collection lines. The utility is expected to file for a phase two rate increase at the end of 2005.

During the phase one rate case, the City revised its rates to include excess gallonage charges which did not financially impact the utility at that time. On May 4, 2005, however, the utility notified us that these changes were impacting it financially and requested approval to revise its general service tariff to reflect this impact. This Order addresses the utility's request to revise its general service tariff. On May 31, 2005, WWTP extended the 60-day suspension deadline for the consideration of its request to July 19, 2005. We have jurisdiction pursuant to Section 367.091, Florida Statutes.

In the utility's recent rate case, we approved expenses for purchased sewage treatment that equaled the yearly total of the billings from the City based on a bi-monthly flat charge multiplied by the number of tenants in each park. As the three parks generally operate at capacity, and there is no possibility of growth, the yearly expense was calculated with a high degree of accuracy.

On June 15, 2004, the City passed Ordinance No. 2004-57 that changed the tariffed wastewater rate structure for the City's customers to include charges for excessive water

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consumption. The new charges were effective for wastewater service billed on or after October 1, 2004. For usage up to 3,000 gallons monthly (6,000 bi-monthly), customers inside the city limits will not see an increase in bi-monthly charges. However, a customer with a water usage over 3,000 gallons per month (over 6,000 bi-monthly), up to a maximum of 8,000 gallons per month (16,000 bi-monthly), is now required to pay \$1.37 per each thousand gallons consumed; customers outside the city limits are required to pay \$1.71 per thousand gallons consumed. Prior to this change, the City's customers were billed only the flat rate for monthly wastewater service regardless of their consumption.

The City master bills the utility bi-monthly for wastewater charges for each of the three parks, based on water usage of each residential unit. WWTP is responsible for the payment of the bi-monthly charges, as well as any additional charges incurred for excess water consumption. WWTP presently has no way to collect the additional charges incurred, as the rates we approved are based on Largo's flat rates prior to the imposition of excess gallonage charges.

A surcharge may or may not occur in any given bi-monthly billing period, and the amount of the surcharge could vary from period to period. The utility has paid surcharges for the February and April 2005 billing periods for the Twin Palms Park which totaled \$268.47. Given the small size of this utility, the inability to collect the extra charges from its customers could have a material impact on WWTP.

As a result, the utility has requested that its general service flat rate tariff be revised to allow it to bill a customer who causes any sewer surcharge due to excessive water use. The utility has requested that the following language be added to its existing general service-flat rate tariff:

In accordance with the City of Largo Ordinance No. 2004-57 if a customer exceeds allowed water consumption during the bi-monthly billing cycle affecting an increase in the normal sewer fee, the customer will be billed by the utility for the increase in wastewater fee upon receipt of the statement.

We agree with the utility's proposed revision but find that the paragraph shall also state that WWTP will include a copy of the City's bi-monthly charges showing the surcharge when the customer is billed for the additional amount. The utility agrees with our addition to the revised tariff language. Including a copy of the City's charges showing the surcharge will not create an administrative burden on WWTP because there are only three customers for whom the surcharge would apply.

The utility's request to revise its general service tariff is hereby approved with our additional language. The utility shall file a revised tariff sheet which is consistent with our vote. We find that our staff shall be given administrative authority to approve the revised tariff sheet upon staff's verification that the tariff is consistent with our decision. The utility shall also file a proposed customer notice to reflect our approved tariff revision. The approved revision 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, after our staff has verified that the proposed customer notice is adequate and this notice has been provided to customers. The utility shall

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provide proof that the three affected customers have received notice within 10 days after the date of the notice.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Ranch Mobile WWTP, Inc.'s request to revise its general service tariff is hereby approved as set forth in the body of this Order. It is further

ORDERED that if a protest is filed within 21 days of the issuance of the Order, the tariff shall remain in effect with all revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this <u>26th</u> day of <u>July</u>, <u>2005</u>.

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

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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 August 16, 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.