

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Request for approval of new class of service in Pinellas County by Ranch Mobile WWTP, Inc. | DOCKET NO. 050228-SU  
ORDER NO. PSC-05-0972-TRF-SU  
ISSUED: October 10, 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 MODIFYING RANCH MOBILE WWTP, INC.'S APPROVED TARIFF RATE

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-05-0681-TRF-SU, issued June 20, 2005, we approved WWTP's request for a new class of service. After the issuance of this order, the utility notified Commission staff that it had learned of new information that affected the Commission-approved tariff rate and requested that the approved rate be modified. The purpose of this Order is to address the requested modification to the approved tariff rate. We have jurisdiction pursuant to Section 367.091, Florida Statutes.

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. Shortly after the conclusion of that case, the utility learned of a commercial customer that WWTP had not been aware of during the rate case. WWTP requested that we approve a new class of service for this customer. This additional customer was a restaurant, Country Pizza Inn (CPI). The restaurant and Ranch Mobile had entered into an easement agreement in November 1996. The agreement stated that the easement shall be used only for the transmission of wastewater from the restaurant to Ranch Mobile's system.

The instant docket was opened on April 4, 2005, to address the utility's original request with regard to CPI. In a data request, the utility was asked if wastewater service was being provided to CPI by any other entity such as the City or Pinellas County, and the size of the restaurant's water meter. The utility stated that wastewater service was not being provided by any other entity and that CPI had a one-inch meter. Based on the utility's response that no other

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entity was providing service, a meter factor of 2.5 for one-inch meters, and a monthly charge of \$26.08 for tenants in the Ranch Mobile park, Commission staff recommended that a monthly flat rate of \$65.20 for the new class of service was appropriate. We approved WWTP's request for a new class of service at staff's recommended rate in Order No. PSC-05-0681-TRF-SU, issued June 20, 2005. This PAA order was made final by Consummating Order No. PSC-05-0744-CO-SU, issued July 13, 2005.

On July 12, 2005, the day before the first consummating order was issued in this docket, Ranch Mobile notified Commission staff that the restaurant was in fact being billed for wastewater treatment by the City of Largo. As a result, CPI is now paying both the utility and the City for wastewater treatment.

The restaurant is using WWTP's lines and, as such, is required to pay an amount which covers its share of the utility's revenue requirement. We find, however, that the recent tariff charge we approved must be reduced to remove the portion allocated to wastewater treatment, since CPI is already being billed by the City for this service. After the removal of the wastewater treatment expense component of the revenue requirement for residents of Ranch Mobile, we calculate that each resident of Ranch Mobile pays \$9.24 monthly to cover the remaining revenue requirement. Using a meter factor of 2.5 for one-inch meters, we find that a monthly charge of \$23.10 for the restaurant is appropriate. This is a reduction of \$42.10 monthly for this class of service.

The utility's request for a modification to its approved tariff rate is hereby granted, and the correct tariff rate shall be \$23.10. The utility shall file a revised tariff sheet which is consistent with our decision by September 30, 2005. Commission staff shall be given administrative authority to approve the revised tariff sheet upon verification that the tariff is consistent with our decision. In addition, the utility shall file a proposed customer notice to reflect our approved rate. The approved rate 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 the customer. The utility shall provide proof that the only affected customer has received notice of the corrected tariff charge within 10 days after the date of the notice.

The utility began collecting the \$65.20 monthly charge for the August 2005 billing period beginning with the effective date of the tariff on August 1, 2005. We find that the utility shall be required to refund the difference between the original monthly charge of \$65.20 and the approved revised charge for all billing periods between August 1, 2005, and the date that the new rate is effective. The \$65.20 monthly charge was approved based on incorrect information supplied to us by the utility. We do not believe that Country Pizza Inn should be penalized, nor should WWTP benefit, because of the utility's mistake. Pursuant to Rule 25-30.360(2), Florida Administrative Code, this refund shall be made within 90 days of this Order. In no instance shall the maintenance and administrative costs associated with the refund be borne by the customer. These costs are the responsibility of, and shall be borne by, the utility. Also, pursuant to Rule 25-30.360(7), Florida Administrative Code, during the processing of the refund, the utility shall provide Commission staff with monthly reports on the status of the refund by the 20<sup>th</sup> of the

following month, and a preliminary report shall be made within 30 days of the completion of the refund. A final report shall be made after all administrative aspects of the refund are completed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Ranch Mobile WWTP, Inc.'s request for a modification to its approved tariff rate is hereby granted. It is further

ORDERED that the utility shall be required to refund the difference between the original monthly charge of \$65.20 and the approved revised charge for all billing periods between August 1, 2005, and the date that the new rate is effective. Pursuant to Rule 25-30.360(2), Florida Administrative Code, this refund shall be made within 90 days of this Order. It is further

ORDERED that during the processing of the refund, the utility shall provide Commission staff with monthly reports on the status of the refund by the 20<sup>th</sup> of the following month, and a preliminary report shall be made within 30 days of the completion of the refund. A final report shall be made after all administrative aspects of the refund are completed. It is further

ORDERED that if a protest is filed within 21 days of the issuance of this 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, a consummating order shall be issued. The docket shall remain open to allow for Commission staff's verification of the revised tariff sheet and the utility's compliance with the noticing requirements, and until the refund has been completed and verified by Commission staff. Once these actions are complete, this docket shall be closed administratively.

By ORDER of the Florida Public Service Commission this 10th day of October, 2005.

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

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records

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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 October 31, 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.