

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for increase in wastewater rates in Charlotte County by Utilities, Inc. of Sandalhaven. | DOCKET NO. 060285-SU  
ORDER NO. PSC-07-0155-PCO-SU  
ISSUED: February 23, 2007

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman  
MATTHEW M. CARTER II  
KATRINA J. McMURRIAN

ORDER SUSPENDING PROPOSED RATE INCREASE

BY THE COMMISSION:

Utilities, Inc. of Sandalhaven (Sandalhaven or utility) is a Class B wastewater utility providing service to approximately 910 customers in Charlotte County. Sandalhaven is a wholly-owned subsidiary of Utilities, Inc. In its 2005 Annual Report, the utility reported operating revenues of \$270,518 and a net operating loss of \$45,037.

On May 15, 2006, Sandalhaven filed the Application for Rate Increase at issue in this docket. A review of the Minimum Filing Requirements (MFRs) demonstrated that the MFRs contained a number of deficiencies that would require revisions, and Sandalhaven filed a Revised Application for Rate Increase on December 28, 2006. A review of the revised MFRs also indicates that the MFRs still contain a number of deficiencies that require revisions by the utility. These revisions will not be received until after the statutory 60-day limit to suspend the requested rate increase, and therefore the official filing date has not been established. The test year established for final rates is a projected test year ended December 31, 2007.

Sandalhaven requested final rates designed to generate annual wastewater revenues of \$1,118,134. This represents a revenue increase of \$841,571 (313.33%). Sandalhaven did not request interim rates, but it did request interim Service Availability Charges. We will consider that request at a later date. This order only addresses suspension of Sandalhaven's requested rate increase. We have jurisdiction pursuant to Section 367.081, Florida Statutes.

Section 367.081(6), Florida Statutes, provides that the Commission may, for good cause, withhold consent to the implementation of the requested rates by a vote to that effect within 60 days after the date the rate request is filed. Section 367.081(8) permits the proposed rates to go into effect (secured and subject to refund) at the expiration of five months from the official date of filing if: (1) the Commission has not acted upon the requested rate increase; or (2) if the Commission's Proposed Agency Action is protested by a party other than the utility.

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We have reviewed the filing and we have considered the information filed in support of the rate application and the proposed final rates. We find that further investigation of this information, including on-site investigations by our staff accountants and engineers, is necessary in this case, and for this reason we will suspend the utility's proposed rate increase pending that investigation.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the proposed increase in wastewater rates in Charlotte County by Utilities, Inc. of Sandalhaven is suspended pending further review. It is further

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission this 23rd day of February, 2007.

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

(SEAL)

MCB

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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.