

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Floralino	)	DOCKET NO. 890452-WU
Properties, Inc. for a 1988 price	)	ORDER NO. 21159
index rate adjustment in Pasco County	)	ISSUED: 5-3-89

ORDER ACKNOWLEDGING PRICE INDEX RATE ADJUSTMENT

BY THE COMMISSION:

On March 29, 1989, Floralino Properties, Inc. (Utility) notified this Commission of its intention to increase rates to its customers in Pasco County by application of the price-indexing provisions of Section 367.081(4)(a), Florida Statutes, and Rule 25-30.420, Florida Administrative Code.

By Order No. 19073, issued by this Commission on March 31, 1988, in Docket No. 880005-WS, the rates of water and sewer utilities are subject to adjustment as a result of the application of the price index to certain utility operation and maintenance costs. The indexing factor is 2.89 percent.

After review of the indexing filing, we find that it meets the Commission's requirements, as set forth in Rule 25-30.420, Florida Administrative Code. In compliance with Rule 25-30.420(6), Florida Administrative Code, the Utility advised us that it will provide notice to its customers prior to the effective date of the rates, informing them of the impending rate adjustment and explaining that the increase is due to the application of the price index to certain operation and maintenance expenses.

Applying an increase factor of 1.0230 to the existing rate schedules results in increased water revenues of \$2,092. The schedule of our computation is as follows:

1988 Price Index Application  
Test Year Ended December 31, 1987

	<u>Water</u>
1987 Operation and Maintenance Expenses	\$ 76,495
Less: (1) Pass-through Item:	
Purchased Power	( 1,259)
(2) Rate Case Expense Included in 1987 O & M Expenses	0
(3) Adjustment to O & M Expenses from last rate case, if applicable	( 4,636)
Costs to be Indexed	\$ 70,600
Multiply by Change in GNP Implicit Price Deflator Index	x .0289
Additional O & M Expenses	\$ 2,040
Divide by Expansion Factor for Regulatory Assessment Fees	÷ .975
Increase in Revenue	\$ 2,092
Divide by 1987 Annualized Revenues	+ 91,065

DOCUMENT NUMBER-DATE

04411 MAY -3 1989

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Percentage Increase 2.30%

Increase Factor to Apply to  
Existing Rate Schedules 1.0230

Rates which will allow the Utility to recognize this increase are as follows:

WATER (2.30% INCREASE)

Residential Service  
Bi-Monthly Rates

	<u>Existing</u>	<u>New</u>
<u>Base Facility Charge</u>		
<u>Meter Size</u>		
5/8" x 3/4"	\$ 9.83	\$ 10.06
1"	\$ 24.56	\$ 25.12
1-1/2"	\$ 49.13	\$ 50.26
2"	\$ 78.61	\$ 80.42
3"	\$ 147.52	\$ 162.14
4"	\$ 245.65	\$ 251.30
6"	\$ 491.30	\$ 502.60
<u>Gallonge Charge</u>		
Per 1,000 Gallons	\$ .97	\$ .99

General Service  
Monthly Rates

	<u>Existing</u>	<u>New</u>
<u>Base Facility Charge</u>		
<u>Meter Size</u>		
5/8" x 3/4"	\$ 4.91	\$ 5.02
1"	\$ 12.28	\$ 12.56
1-1/2"	\$ 24.56	\$ 25.12
2"	\$ 39.30	\$ 40.20
3"	\$ 78.61	\$ 80.42
4"	\$ 122.82	\$ 125.64
6"	\$ 245.65	\$ 251.30
<u>Gallonge Charge</u>		
Per 1,000 Gallons	\$ .97	\$ .99

Private Fire Protection  
Monthly Rates

	<u>Existing</u>	<u>New</u>
Charge Per Hydrant	\$ 114.00	\$ 116.62

It is, therefore,

ORDERED by the Florida Public Service Commission that the indexing application of Floralino Properties, Inc., Post Office Box 5017, Largo, Florida 34649 is hereby acknowledged. It is further

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ORDERED that the Utility shall submit revised tariff sheets containing the new rates indicated in this Order. It is further

ORDERED that the rates contained herein shall become effective for service rendered on or after May 28, 1989, subject to approval of revised tariff sheets and customer notice as previously indicated in this Order. It is further

ORDERED that Docket No. 890452-WU shall be closed upon approval of the revised tariff sheets.

By Order of the Florida Public Service Commission,  
this 3rd day of MAY, 1989.

  
STEVE TRIBBLE, Director  
Division of Records and Reporting

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