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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of BROADVIEW PARK)	DOCKET NO. 890798-WU
WATER COMPANY for a 1989 price index)	ORDER NO. 21699
rate adjustment in Broward County.)	ISSUED: 8-8-89
)	

ORDER ACKNOWLEDGING PRICE INDEX RATE ADJUSTMENT

BY THE COMMISSION:

On June 15, 1989, Broadview Park (Utility) notified this Commission of its intention to increase rates to its customers in Broward 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. 20972, issued by this Commission on March 31, 1989, in Docket No. 890005-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 4.35 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. However, it should be noted that the Commission currently has two complaints on file regarding the Utility's quality of service. From a conversation with the Broward County Health Department, it is apparent that the problems are significant. We are monitoring the Utility's progress regarding an interconnect between the Utility and the City of Plantation or the City of Ft. Lauderdale. The interconnect would allow the Utility to phase out its water treatment plant, thus eliminating quality of service problems associated with the plant.

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 1.0327 to the existing rate schedules results in increased water revenues of \$14,261. The schedule of our computation is as follows:

DOCUMENT NUMBER-DATE

07983 AUG -8 1989

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1989 Price Index Application
Test Year Ended December 31, 1988

	<u>Water</u>
1988 Operation and Maintenance Expenses	\$ 370,716
Less: (1) Pass-through Items:	
(a) Purchased Power	(42,435)
(b) Purchased Water	(2,269)
(c) Purchased Sewage Treatment	0
(d) DER Required Water Testing*	(1,600)
(2) Rate Case Expense Included in 1988 O & M Expenses	(4,782)
Costs to be Indexed	\$ 319,630
Multiply by Change in GNP Implicit Price Deflator Index	x .0435
Additional O & M Expenses	\$ 13,904
Divide by Expansion Factor for Regulatory Assessment Fees	- .975
Increase in Revenue	\$ 14,261
Divide by 1988 Annualized Revenues	- 436,315
Percentage Increase	<u>3.27%</u>
Increase Factor to Apply to Existing Rate Schedules	<u>1.0327</u>

*Testing for organic contaminants per DER Rules 17-550.310(2) and 17-550.410, F.A.C.

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

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WATER (3.27% INCREASE)
Monthly Rates

Residential and General Service

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Existing</u>	<u>New</u>
5/8" x 3/4"	\$ 5.73	\$ 5.92
3/4"	\$ 8.60	\$ 8.88
1"	\$ 14.33	\$ 14.80
1-1/2"	\$ 28.66	\$ 29.60
2"	\$ 45.84	\$ 47.34
3"	\$ 91.69	\$ 94.69
4"	\$ 143.26	\$ 147.94
6"	\$ 286.52	\$ 295.89
<u>Gallonge Charge</u> Per 1,000 Gallons	\$ 1.56	\$ 1.61

Private Fire Protection
Monthly Rates

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Existing</u>	<u>New</u>
2"	\$ 15.26	\$ 15.76
3"	\$ 30.54	\$ 31.54
4"	\$ 47.71	\$ 49.27
6"	\$ 95.41	\$ 98.53
8"	\$ 152.66	\$ 157.65

It is, therefore,

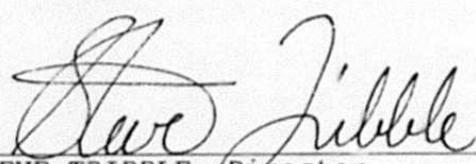
ORDERED by the Florida Public Service Commission that the indexing application of Broadview Park Water Company, 1955 Southwest 50th Avenue, Ft. Lauderdale, Florida 33314, is hereby acknowledged. It is further

ORDERED that the rates contained herein shall become effective for service rendered on or after August 14, 1989 subject to approval of revised tariff sheets and customer notice as previously indicated in this Order. It is further

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ORDERED that the tariff sheets submitted with the Utility's application reflect the rates set forth in this Order, and Docket No. 890798-WU may be closed upon Staff's approval of the tariff sheets.

By Order of the Florida Public Service Commission,
this 8th day of AUGUST, 1989.



STEVE TRIBBLE, Director
Division of Records and Reporting

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