

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

|                                     |   |                      |
|-------------------------------------|---|----------------------|
| In re: Application of HYDRATECH     | ) | DOCKET NO. 891018-SU |
| UTILITIES, INC. for a new class of  | ) | ORDER NO. 22154      |
| service for sewer only customers in | ) | ISSUED: 11-6-89      |
| Martin County.                      | ) |                      |
|                                     | ) |                      |

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, CHAIRMAN  
 THOMAS M. BEARD  
 BETTY EASLEY  
 GERALD L. GUNTER  
 JOHN T. HERNDON

NOTICE OF PROPOSED AGENCY ACTIONORDER APPROVING CHANGE IN BILLING METHOD

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the actions discussed herein are preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

CASE BACKGROUND

On July 19, 1989, Hydratech Utilities, Inc. (Hydratech or utility) filed tariff sheets for a new class of service for wastewater-only customers, pursuant to Section 367.091, Florida Statutes, and individually noticed the affected customers. Hydratech is a Class B utility providing water and wastewater service in Martin County. The utility currently has three wastewater-only customers. Two are residential customers with private wells and one is a general service customer receiving water service from Hobe Sound Water Company. One of the residential customers has been a customer of the utility since 1985. The other residential customer was a water and wastewater customer from 1985 to 1988, who no longer desired to have water service from Hydratech. The general service customer, an elementary school, has been a customer of the utility since 1984.

DOCUMENT NUMBER-DATE

10875 NOV-6 1989

FPSC-RECORDS/REPORTING

ORDER NO. 22154  
DOCKET NO. 891018-SU  
PAGE 2

CHANGE IN BILLING METHOD

Hydratech's proposed tariff change is simply a clarification of the existing methodology it has used for several years to bill wastewater-only customers. The utility will continue to use its existing, approved base facility charge and gallonage charge for each class of service, a schedule of which is attached to this Order as Attachment A and by reference incorporated herein. Therefore, we find it appropriate to process the request by way of a limited proceeding, pursuant to Section 367.0822, Florida Statutes, rather than as a request for a new class of service.

Hydratech proposes to bill residential wastewater-only customers based upon the average water consumption for a customer of that classification of similar size and nature. It proposes to bill general service wastewater-only customers based upon the average water consumption for a customer of that classification of similar size and nature, or based upon a meter reading from another water supplier.

We find that Hydratech's proposal for billing wastewater-only customers will have no impact on either the amount billed to the individual customers or the utility's level of earnings, since the utility has already been utilizing this same methodology. Therefore, we find it appropriate to approve Hydratech's proposed tariff changes for residential service wastewater-only customers.

However, we find that billing general service customers based on average consumption would not be acceptable, as the average usage of general service customers is not as consistent or predictable as for residential customers. Therefore, we find it appropriate to require that general service wastewater-only customers be billed based upon meter readings, either from a private meter, installed at the customer's expense, or another water supplier.

The billing method approved herein shall be effective for service rendered on or after the stamped approval date on the revised tariff sheets.

The utility's request for approval to use estimated usage for billing wastewater-only customers was made after it had used such method for several years. Generally, we would

ORDER NO. 22154  
DOCKET NO. 891018-SU  
PAGE 3

require a utility to show cause as to why it should not be fined for charging outside its tariff. However, because the wastewater-only customers represent isolated circumstances which have existed for some time, and Hydratech has indicated its intent to discourage wastewater-only customers in the future, we do not find it appropriate to pursue a show cause action against the utility.

Based on the foregoing, it is hereby

ORDERED by the Florida Public Service Commission that the proposed billing changes for wastewater-only customers of Hydratech Utilities, Inc. are approved as set forth in the body of this Order. It is further

ORDERED that the billing method approved herein shall be effective for service rendered on or after the stamped approval date on the revised tariff sheets. It is further

ORDERED that the provisions of this Order are issued as proposed agency action, and as such, shall become final unless an appropriate petition in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event that this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission  
this 6th day of NOVEMBER, 1989.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

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ORDER NO. 22154  
DOCKET NO. 891018-SU  
PAGE 4

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on November 27, 1989.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent 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.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

ORDER NO. 22154  
 DOCKET NO. 891018-SU  
 PAGE 5

ATTACHMENT A

HYDRATECH UTILITIES, INC.

W A T E R  
 Residential and General Service

| <u>Meter Size</u>        | <u>Base Facility Charge</u> |
|--------------------------|-----------------------------|
| 5/8" x 3/4"              | \$ 2.61                     |
| 3/4"                     | 3.92                        |
| 1"                       | 6.53                        |
| 1-1/2"                   | 13.04                       |
| 2"                       | 20.87                       |
| 3"                       | 41.74                       |
| 4"                       | 65.21                       |
| 6"                       | 130.43                      |
| Charge per 1,000 gallons | \$ 1.03                     |

W A S T E W A T E R  
 Residential

|                          |          |
|--------------------------|----------|
| All Meter Sizes          | \$ 5.17  |
| Charge per 1,000 gallons | \$ 2.30* |

\* Maximum of 10,000 gallons

General Service

| <u>Meter Size</u>        | <u>Base Facility Charge</u> |
|--------------------------|-----------------------------|
| 5/8" x 3/4"              | \$ 5.17                     |
| 3/4"                     | 7.75                        |
| 1"                       | 12.91                       |
| 1-1/2"                   | 25.83                       |
| 2"                       | 41.32                       |
| 3"                       | 86.64                       |
| 4"                       | 129.13                      |
| 6"                       | 258.25                      |
| Charge per 1,000 gallons | \$ 2.30                     |