

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of ATLANTIC)	DOCKET NO. 870249-WS
UTILITIES OF JACKSONVILLE, INC. for)	ORDER NO. 22752
increase in Duval County)	ISSUED: 3-29-90
)	

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD
JOHN T. HERNDON

ORDER GRANTING EXTENSION OF TIME

BY THE COMMISSION:

Atlantic Utilities of Jacksonville, Inc. (AUJ or utility), filed an application on June 26, 1987 for an increase in water and sewer rates, pursuant of Section 367.081, Florida Statutes. By Order No. 18134, issued September 9, 1987, we suspended the proposed rates and authorized the collection of interim rates.

The case proceeded under our proposed agency action procedure. Accordingly, on January 4, 1988, the Commission issued Notice of Proposed Agency Action (PAA) Order No. 18634, in which it proposed to grant AUJ increased rates which would afford it the opportunity to generate annual revenues of \$508,144 for water and \$305,630 for sewer, subject to a timely objection being filed by a substantially affected person. The Office of Public Counsel objected timely. Order No. 18634 was thereby held in abeyance and the rate application was set for hearing on May 20, 1988 in Jacksonville, Florida. After considering the evidence in the record, the Commission found the overall quality of water service to be unsatisfactory. Thus, the utility was ordered to submit to the Commission, within sixty days of the date of Order No. 20063, plans for replacing the undersized mains in the Ortega Hills Subdivision. It was further ordered that the utility collect the new rates and charges for the Ortega Hills Subdivision, subject to refund with interest, subject to the replacement of the undersized lines, for one year. At the end of the one-year period, the Commission would decide the disposition of these funds, based on the actions of the utility.

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On December 5, 1988, in accordance with Order No. 20063, AUJ filed an engineering analysis. In this analysis, the utility proposed replacing approximately 8,000 feet of water distribution mains in the Ortega Hills Subdivision. A chronological listing of the utility's progress was provided on June 14, 1989, by Bessent, Hammack & Ruckman, Inc., Consulting and Design Engineers (BHR). Actual construction was started on October 18, 1989. AUJ thought that barring any unforeseen difficulties, the improvements could be substantially completed by the end of February, 1990. In Order No. 22174, issued November 14, 1989, we required the utility to complete the project by the end of February, 1990.

The utility now has requested a sixty day extension of time in which to complete the required improvements, claiming that the unusual weather conditions experienced in the Jacksonville area in December, 1989, along with certain personnel changes within the contractor's organization, have prevented the contractor from completing the work by the end of February, 1990, as provided by the construction contract and Order No. 22174. On January 4, 1990, utility engineers certified that 92 percent of the water main replacements and 33.9 percent of the service replacements have been completed. The utility seeks the addition time in the interest of completing the ordered improvements in a professional manner, within the engineer's specifications, and states that the delays were outside the direct control of the utility.

A staff engineer visited the construction area on February 17, 1990 and verified that well over 90 percent of the water main replacements and almost half of the service replacements have been completed.

Upon consideration, we find that the utility has shown good cause for the requested extension of time and it is, therefore, granted. AUJ shall continue to collect that portion of the rate increase for water service apportioned to the Ortega Hills Subdivision ratepayers subject to refund with interest until construction has been totally completed and verified by staff. Construction should be totally completed no later than April 30, 1990. If it is not completed then, we will consider initiating show cause proceedings against the utility.

Based on the foregoing, it is

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ORDERED by the Florida Public Service Commission that the request of Atlantic Utilities of Jacksonville, Inc. for a 60 day extension of time (to April 30, 1990), in which to complete the construction required by Orders Nos. 20063 and 22174, is hereby granted. It is further

ORDERED that Atlantic Utilities of Jacksonville, Inc. shall continue to collect that portion of the rate increase for water service apportioned to the Ortega Hills Subdivision ratepayers subject to the refund with interest until construction has been totally completed and verified by Commission staff.

By ORDER of the Florida Public Service Commission this 29th day of MARCH, 1990.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

NSD

by: Kay Hegan
Chief, Bureau of Records

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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the

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Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, 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 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 after the issuance 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.