

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for Staff-) DOCKET NO. 920874-WU
Assisted Rate Case in Highlands) ORDER NO. PSC-93-0373-FOF-WU
County by Pine Acres Water D/B/A) ISSUED: 03/09/93
Walker Memorial Hospital.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

ORDER CLOSING DOCKET

BY THE COMMISSION:

Pine Acres Water d/b/a Walker Memorial Hospital is a class C water utility located in Highlands County. The utility's service area is located near Avon Park. The service area is composed of approximately 295 residential and 23 general service customers. The utility's largest general service connection is a 6-inch meter that supplies service to Walker Memorial Hospital. The hospital is owned by Adventist Health System/Sunbelt, and is the parent company of Pine Acres Water.

Pine Acres Water filed an application for this staff-assisted rate case on August 31, 1992. An audit of the utility's books and records was completed on December 7, 1992. Additionally, an engineering investigation was conducted whereby an original cost study was performed.

Our preliminary investigation indicated that a rate decrease might be necessary. The utility indicated that it would withdraw the rate case, but because of possible additional plant construction planned for next year the utility may again file for a staff-assisted rate case at that time.

We find that a rate decrease at this time is not a desirable option for several reasons. The utility's plans for plant additions next year may mean a rate increase for the customers. A rate decrease now will send a wrong signal to the customers because a rate increase may be needed next year. Also, the current rates

DOCUMENT NO.
0263893
3/9/93

ORDER NO. PSC-93-0373-FOF-WU
DOCKET NO. 920874-WU
PAGE 2

are very low and an additional rate reduction would not be desirable for conservation purposes. Therefore, the request by Pine Acres to withdraw its application for a staff-assisted rate case is hereby granted.

During the test year, the utility's books and records were not maintained in conformity with the Uniform System of Accounts. In fact the records of Walker Memorial Hospital were commingled with the records of Pine Acres Water. It became apparent through the audit and the engineering investigation that the utility expenses were difficult to trace and identify.

Paragraph (1) of Rule 25-30.115, Florida Administrative Code, entitled "Uniform System of Accounts for Water and Sewer Utilities", states:

1) Water and Sewer Utilities shall, effective January 1, 1986, maintain its accounts and records in conformity with the 1986 NARUC Uniform System of Accounts adopted by the National Association of Regulatory Utility Commissioners.

We find that the utility has the capability to convert and maintain its books and records in conformity with Rule 25-30.115, Florida Administrative Code. Therefore, the utility shall maintain its books and records in conformity with the 1984 NARUC Uniform System of Accounts, prior to applying for another staff-assisted rate case.

Therefore, based on the foregoing, we hereby find that this docket should be closed. As discussed above, our Staff has performed the necessary audit and completed its engineering investigation. Based on the amount of time our Staff has devoted to this case, we find that the filing fee shall not be refunded.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that this docket shall be closed and that the filing fee shall not be refunded to Pine Acres Water d/b/a Walker Memorial Hospital. It is further

DOCUMENT NUMBER-DATE
02638 MAR-98
PAGE-RECORDS/REPORTING

ORDER NO. PSC-93-0373-FOF-WU
DOCKET NO. 920874-WU
PAGE 3

ORDERED that Pine Acres Water shall maintain its books and records in conformity with the 1984 NARUC Uniform System of Accounts, prior to applying for another staff-assisted rate case.

By ORDER of the Florida Public Service Commission this 9th day of March, 1993.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)
KAC

by: Kay Flynn
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 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 Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.