BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed Revisions of)
PSC Water and Wastewater Rules)

Docket No. 911082-WS Filed: April 23, 1993

PETITION FOR LEAVE TO INTERVENE

Florida Cities Water Company, by and through its undersigned counsel, pursuant to Rules 25-22.039 and 25-22.036(7)(a), Florida Administrative Code, hereby petitions the Florida Public Service Commission for leave to intervene in the above docket, and in support states the following:

- The name of the Commission is the Florida Public Service Commission, which has assigned Docket No. 911082-WS to this proceeding.
- 2. The name of the Petitioner is Florida Cities Water Company. For purposes of this proceeding, its address is the address for the undersigned counsel, as follows:

Wayne L. Schiefelbein Gatlin, Woods, Carlson & Cowdery 1709-D Mahan Drive Tallahassee, Florida 32308

3. Florida Cities Water Company owns and operates a number of water and wastewater systems providing service to the public in the State of Florida. Most of the Florida Cities Water Company systems are systems regulated by the Florida Public Service Commission and are subject to its rules and regulations. This docket involves the Commission's proposal for a comprehensive rewrite of Chapter 25-30, Florida Administrative Code with a wide array of changes in rules and policies pertaining to the authority, service and rates of investor-owned water and wastewater utilities. Therefore, Florida Cities Water Company's substantial interests are subject to

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determination or will be affected through this proceeding.

- 4. Florida Cities Water Company is concurrently filing with the Division of Administrative Hearings a Petition Administrative Determination of Invalidity of Proposed Rules. That petition seeks to challenge proposed rule 25-30.433(3). Proposed rule 25-30.433(3) would establish applicable rate-making treatment in rate case proceedings for debit deferred taxes and other deferred debits in determining the utility's capital structure and rate base. As detailed in its Petition for Administrative Determination of Invalidity of Proposed Rules and in its Comments on Proposed Rules, Florida Cities Water Company opposes proposed rules 25-30.433(3) insofar as it would disallow recovery of necessary and prudent costs, or a return on necessary and prudent investment in the unamortized portion of expenditures characterized by the Commission as deferred debits. Florida Cities Water Company believes that this proposed rule contravenes Section 367.081(2), Florida Statutes, the law implemented, and the right of a utility to due process, to just compensation for taking of property, and the right to possess and protect property, under the Florida Constitution, Article I, Secs. 2 and 9, Article X, Sec. 6; and the U.S. Constitution, Amendments V and XIV.
- 5. As detailed in its Petition for Administrative Determination of Invalidity of Proposed Rules, and in its Comments on Proposed Rules, Florida Cities Water Company also opposes proposed rules 25-30.435 and 25-30.020(2)(i). Proposed rule 25-30.435 would require any utility owning more than one regulated system, either water or wastewater, which seeks a rate increase to

file the required Minimum Filing Requirements for all regulated systems, regardless of whether a rate increase is sought for all such systems, require the submittal of sufficient data for commonly owned non-jurisdictional systems to support the allocation of joint and common costs, and require the determination of the need for a rate increase to be made on the basis of total earnings of all commonly owned regulated systems. Proposed rule 25-30.020(2)(i) would require a filing fee for any such application based on the combined capacity of all systems covered in the application. Florida Cities Water Company believes that these proposed rules would result in unreasonable, unnecessary and substantial increases in rate case expense, unless they are limited to rate case applications seeking uniform rates. Such substantially increased rate case expense would also acutely affect Florida Cities Water Company in the event that the Commission were to deny a return on the unamortized balance of rate case expense deferred debits.

Based on the foregoing, Florida Cities Water Company requests leave to intervene in this docket.

Respectfully submitted,

Wayne L. Schiefelbein

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Attorneys for

Florida Waterworks Association

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by hand delivery to Christiana Moore, Esquire, Division of Legal Services, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, Florida 32399-0850, on this 23rd day of April, 1993.

Wayne L. Schiefelbein