

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for approval) DOCKET NO. 950586-SU
of increase in wastewater plant) ORDER NO. PSC-95-0948-FOF-SU
capacity charges in North Fort) ISSUED: August 7, 1995
Myers Division in Lee County, by)
Florida Cities Water Company.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER SUSPENDING PROPOSED PLANT
CAPACITY CHARGE TARIFFS

BY THE COMMISSION:

Florida Cities Water Company (FCWC or utility) is a Class A utility that provides wastewater service for two communities in Ft. Myers, Florida: a northern sector and a southern sector. The North Ft. Myers wastewater system, the applicant in this proceeding, was serving approximately 2,559 customers at December 31, 1994. Because many multi-family units are master metered, about 4,590 Equivalent Residential Connections (ERCs) were actually being served. The utility serves an area that has been designated by the South Florida Water Management District as a critical use area. During the twelve months ended December 31, 1994, the utility recorded operating revenues of \$2,085,157 for wastewater service; the corresponding income amount was \$474,319.

On May 19, 1995, the utility filed an application for authority to increase its plant capacity charge for wastewater service pursuant to Section 367.101, Florida Statutes. The filing fee was paid on May 19, 1995, which was designated the official filing date for this proceeding pursuant to Section 367.083, Florida Statutes.

The utility has requested approval of a \$1,800 plant capacity charge per ERC. The utility calculates that its proposed charge reflects a pro rata portion of the cost of treatment plant facilities, determined as of October 1, 1995, when completion of a plant expansion project is expected. The plant's capacity will be

DOCUMENT NUMBER-DATE

07487 AUG-7 1995

FPSC-RECORDS/REPORTING

ORDER NO. PSC-95-0948-FOF-SU
DOCKET NO. 950586-SU
PAGE 2

expanded from 1,000,000 gallons per day (gpd) to 1,250,000 gpd. The estimated cost of this expansion is \$1.612 million. This petition is being reviewed to coincide with a parallel rate increase proceeding in Docket No. 950387-SU.

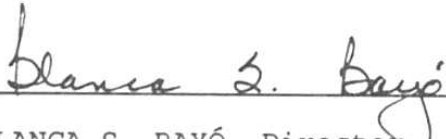
Pursuant to Section 367.091(5), Florida Statutes, the proposed plant capacity charges become effective within sixty (60) days after filing, unless the Commission, giving a reason or statement of good cause, votes to withhold consent to implementation of the requested charges. The utility has proposed several adjustments to its reported investment in wastewater plant facilities, and these adjustments require further examination. We have reviewed the utility's application, the proposed charges, the contributions in aid of construction that would be generated thereby, and the information filed in support of the application. Upon consideration, we believe it is reasonable and necessary to require further amplification, explanation and corroboration of the data supplied by the utility. Therefore, we find it appropriate to suspend the utility's proposed plant capacity charge. Pending final disposition, this docket shall remain open.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that the proposed wastewater plant capacity charges filed by Florida Cities Water Company, North Ft. Myers Division, are hereby suspended. It is further

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission, this 7th day of August, 1995.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

RRJ

ORDER NO. PSC-95-0948-FOF-SU
DOCKET NO. 950586-SU
PAGE 3

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 this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) 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 wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.