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YOUNG, VAN ASSENDERP & VARNADOE, P. A.
ATTORNEYS AT LAW

R. BRUCE ANDERSON
TASHA O. BUFORD
DAVID L. COOK
DAVID B. ERWIN
C. LAURENCE KEESEY
ANDREW L. SOLIS
G. DONALD THOMSON
KENZA VAN ASSENDERP
GEORGE L. VARNADOE
ROY C. YOUNG
RICHARD D. YOVANOVICH

*BOARD CERTIFIED REAL ESTATE LAWYER

REPLY TO

February 20, 1998

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11-20
225 South Adams Street, Suite 2000
Post Office Box 9855
Tallahassee, Florida 32302-9855
TELEPHONE (904) 222-2000
TELEFAX (904) 561-6954

Trust Building
101 LAUREL OAK DRIVE
SUITE 300
POST OFFICE BOX 7907
TALLAHASSEE, FLORIDA 32302-7907
TELEPHONE (904) 597-2004
TELEFAX (904) 597-2005

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Investigation of Rates of Indiantown Company in Martin
County for Possible Overearnings, Docket No. 960011-WS

Dear Ms. Bayo:

Enclosed please find the original and 15 copies of a Motion
for Reconsideration in the above mentioned docket on behalf of
Indiantown Company, Inc.

Sincerely,

David B. Erwin

ACK
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APP _____
CAF _____
CMB DBE:akh
CCT Enclosures
CCT cc: Robert M. Post, Jr.
EAV _____
LEB 1
LIT 5
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FPSC-RECORDS & REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Investigation of Rates)
of Indiantown Company in Martin)
County for Possible Overearnings)**

**Docket No. 960011-WS
Filed: February 20, 1996**

MOTION FOR RECONSIDERATION

Indiantown Company, through its undersigned attorneys, moves for reconsideration of Order No. PSC-96-0169-FOF-WS, dated February 6, 1996, and states in support of said motion as follows:

1. Indiantown Company operates both water and wastewater systems with common management, and the certificated territory of each system is identical.

2. Most customers of Indiantown Company receive both water and wastewater from Indiantown Company.

3. The Commission has found in the order in question that there are most likely overearnings in the water system and deficient earnings in the wastewater system. In spite of this finding, the Commission has decided to investigate only the overearnings and to ignore the earnings deficiency.

4. The Commission is wrong as a matter of law to investigate only one aspect of the operations of Indiantown Company. "The commission shall, either upon request or upon its own motion, fix rates which are just, reasonable, compensatory, and not unfairly discriminatory." Section 367.081(2)(s), F.S. Overearnings are not just and reasonable, and Indiantown Company has no objection to investigating rates which produce such overearnings. On the other hand, a revenue deficiency is not just and reasonable either, and the Commission has just as much

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FPSC-REG/REGS/REPORTING

legal obligation to adjust one inequity as the other.

5. The Commission should either offset the overearnings against the underearnings and require that the net amount be collected subject to refund or the commission should approve interim wastewater rates to be collected at the same time as water revenues are collected subject to refund.

6. The Commission has a statutory duty to be fair and even handed to both customers and the utility serving those customers.

Indiantown Company requests that the Commission reconsider its order and issue a revised order that is fair and in accordance with the law.

Respectfully submitted,



David B. Erwin
Young, van Assenderp
& Varnadoe, P.A.
P. O. Box 1833
Tallahassee, FL 32302
(904) 222-7206

Attorneys for
Indiantown Company
Post Office Box 277
Indiantown, FL 34956