

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for rate) DOCKET NO. 960444-WU
increase and for increase in) ORDER NO. PSC-96-1187-FOF-WU
service availability charges in) ISSUED: SEPTEMBER 23, 1996
Lake County by Lake Utility)
Services, Inc.)
_____)

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 RATES AND
GRANTING INTERIM RATE INCREASE SUBJECT TO REFUND

BY THE COMMISSION:

BACKGROUND

Lake Utility Services, Inc., (LUSI or utility) is a Class B utility located in Lake County. LUSI is a wholly-owned subsidiary of Utilities, Inc. and provides no wastewater service. The service area is composed of sixteen subdivisions, which are served by ten water plants. According to the minimum filing requirements (MFRs) filed in this docket, the service area contained a total of 915 customers at the end of 1995. According to the St. Johns River Water Management District (SJRWMD), LUSI is in a water conservation area.

On December 24, 1987, we granted LUSI Original Certificate No. 496-W by Order No. 18605, in Docket No. 871080. On February 20, 1991, by Order No. 24139, in Docket No. 900906-WU, we transferred all Utilities, Inc. of Florida systems in Lake County to Lake Utility Services, Inc.

By proposed agency action (PAA) Order No. PSC-95-1228-FOF-WU, issued on October 5, 1995, we approved a limited proceeding to restructure LUSI's rates and ordered the utility to supply necessary information regarding its service availability policy within 90 days. However, on October 26, 1995, LUSI protested the Order. On March 4, 1996, LUSI filed an offer of settlement.

DOCUMENT NUMBER-DATE

10109 SEP 23 96

FPSC-RECORDS/REPORTING

By Order No. PSC-96-0504-AS-WU, we approved the settlement proposal. In the settlement, LUSI agreed to file this current rate case (Docket No. 960444-WU) and propose uniform rates and uniform service availability charges for all of its operations in Lake County, except for Four Lakes/Harbor Oaks and Lake Saunders Acres. As part of the settlement, the utility stipulated to the use of "Staff's Proposed Rate Structure (Revised)" in Docket No. 950232-WU, for the purpose of calculating interim rates. Therefore, we approved the rates included in "Staff Proposed Rate Structure (Revised)", pursuant to Order No. PSC-96-0504-AS-WU, as LUSI's current rates immediately prior to any interim adjustment in this rate case.

The utility reported adjusted test year operating revenues of \$313,946 for its water operations for 1995. The utility has never had a full rate case before us; therefore, there is no previously established rate of return on equity.

The utility filed this application for a rate increase on June 3, 1996. We notified the utility of several deficiencies in its filing. Those deficiencies were corrected and the official filing date was established as July 9, 1996. The utility's requested test year for both interim and final rates is the historical period ended December 31, 1995. Also, the utility requested that this case be processed using the PAA procedure pursuant to Section 367.081(8), Florida Statutes.

The utility has requested final revenues of \$447,182 for its water operations. This revenue reflects a revenue increase of \$133,236 or 42.40 percent. The utility's final revenues are based on the utility's requested overall rate of return of 10.24 percent.

SUSPENSION OF RATES

Section 367.081(6), Florida Statutes, provides that the rates proposed by the utility shall become effective within sixty (60) days after filing unless this Commission votes to withhold consent to implementation of the requested rates. Further, under Section 367.081(8), Florida Statutes, the utility may implement its requested rates under bond and subject to refund at the expiration of five months if: (1) the Commission has not acted upon the requested rate increase; or (2) if the Commission's PAA action is protested by a party other than the utility.

We have reviewed the filing and have considered the proposed rates, the revenues thereby generated, and the information filed in support of the rate application. We find that it is reasonable and necessary to require further amplification and explanation

regarding this data, and to require production of additional and/or corroborative data. This further examination by staff will include on-site investigations by staff accountants, engineers and rate analysts. Based on the foregoing, we find it appropriate to suspend the proposed rate increase.

INTERIM RATES

LUSI requested interim rates for its water system designed to generate annual revenues of \$399,013. This amount represents an increase of \$85,067 or 27.10 percent. We find that the test year for interim rates is the historical year ended December 31, 1995. The utility filed rate base, cost of capital and operating statements to support its requested increase.

We find it appropriate to increase LUSI's rates on an interim basis as set forth below and in the schedules attached hereto, which are by reference incorporated herein.

RATE BASE

In its application, LUSI used a simple average to calculate its requested water rate base. LUSI also used the formula method to calculate its requested allowance for working capital. Since the utility is a class B utility, the MFRs are consistent with the averaging and working capital requirements of Rule 25-30.433, Florida Administrative Code. Our analysis of the MFRs indicates that no adjustments are needed to the utility's requested rate base.

Section 367.082(5)(b)(1), Florida Statutes, requires that the required rate of return be calculated by applying appropriate adjustments consistent with those used in the utility's most recent rate proceeding. Considering this is the utility's first full rate case and LUSI made no adjustments to its per book rate base amounts for interim purposes, we find that the utility's requested rate base was calculated in accordance with the interim statute. Based on the foregoing, we find it appropriate to approve the utility's requested interim rate base of \$959,919 for water. Our calculation of the appropriate rate base is depicted in Schedule No. 1.

COST OF CAPITAL

Our calculation of the appropriate cost of capital, including our adjustments, is depicted in Schedule No. 2. Those adjustments which are self-explanatory or which are essentially mechanical in

nature are reflected in that schedule without further discussion in the body of this Order. The major adjustments are discussed below.

In its MFRs, the utility used a simple average capital structure and made no specific adjustments. The utility determined its cost of capital using a blended capital structure of the utility's actual deferred income taxes and customer deposits, with the remainder of its capital reconciled to rate base using its parent company's, Utilities, Inc., ratio of investor sources of capital. Using the actual debt cost for long-term debt of 9.19 percent and short-term debt of 9.12 percent, a return on customer deposits of eight percent and the mid-point of the current leverage graph for the return on equity (ROE) of 11.66 percent, the utility requested an overall cost of capital of 9.94 percent.

We have made an adjustment to LUSI's cost of equity. Section 367.082(5)(b)(3), Florida Statutes, provides that the "last authorized rate of return on equity" means the minimum of the range of the last authorized rate of return on equity established in the most recent individual rate proceeding of the utility. Further, Section 367.082(6), Florida Statutes, states that the Commission is allowed to establish interim rates for a utility which does not have an authorized rate of return previously established by the Commission. We calculated the minimum of the required rate of return on equity of 10.61 percent, using the leverage formula we approved in Order No. PSC-96-0729-FOF-WS, issued on May 31, 1996. We have consistently applied this treatment in interim rate proceedings for utilities with no previously established ROE.

In addition, we used a return on customer deposits of six percent instead of the eight percent used by the utility. This adjustment is consistent with Rule 25-30.311(4)(a), Florida Administrative Code, which establishes minimum interest rate on customer deposits. Based on the foregoing, we find that the appropriate required rate of return for interim purposes is 9.47 percent.

NET OPERATING INCOME

Our calculation of net operating income, including our adjustments, is depicted in Schedules Nos. 3-A and 3-B. Those adjustments which are self-explanatory or which are essentially mechanical in nature are reflected in those schedules without further discussion in the body of this Order. The major adjustments are discussed below.

In its MFRs, the utility made no specific adjustments to its revenue and operation and maintenance expenses. We reviewed all components to calculate the utility's net operating income and find that they are appropriate except for its test year income tax expense. Based on our prima facie review of the MFRs, we are unable to reconcile the utility's income tax calculation with our calculation. Accordingly, we have adjusted the utility's test year income tax expense for interim purposes. We will review the utility's calculation in detail as part of the staff audit and further investigation. Based on the utility's filing and our adjustment, we find that the appropriate test year operating income, before any revenue increase, is \$36,746 for water. This represents an achieved rate of return of 3.83 percent for water.

Revenue Requirement

We calculated the interim revenue requirement using the actual operating expenses for the year ended December 31, 1995 and a 9.47 percent overall rate of return on an average rate base. However, this resulted in a revenue requirement that is greater than that requested by the utility. Consistent with Commission practice, we have limited the recommended interim revenue requirement to the amount requested. Accordingly, we find the appropriate interim revenue requirement to be \$399,013. This represents an annual increase of \$85,067 or 27.10 percent for water.

Interim Rates

As discussed earlier, there currently exist two different rate structures amongst the twelve subdivisions involved in this interim rate proceeding. The different rate structures resulted from mutually exclusive systems being interconnected. We find it appropriate to approve a uniform rate structure for twelve of LUSI's subdivisions (Clermont I, Clermont II, Amber Hill, The Oranges, Lake Ridge, The Vistas, Highland Point, Crescent Bay, Crescent West, Crescent Hills, Preston Cove, and South Clermont Area), pursuant to Order No. PSC-96-0504-AS-WU, in this interim rate proceeding. The interim increase, if any for these subdivisions, shall be applied to "Staff's Proposed Rate Structure (Revised)" developed in Docket No. 950232-WU, discussed earlier in this Order. The interim increase, if any, for Four Lakes\Harbor Oaks and Lake Saunders Acres shall be applied to their current rates.

We find it appropriate that LUSI's interim service rates be designed to allow the utility the opportunity to generate additional annual operating revenues of \$85,067 for its water system. This results in an increase of 27.10 percent excluding

miscellaneous revenues, in its existing water rates, when applied as an across the board increase to total revenues.

The interim rates shall be implemented for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, Florida Administrative Code, provided the customers have received notice. The rates shall not be implemented until proper notice has been received by the customers. The utility shall provide proof of the date the notice was given no less than 10 days after the date of notice. The revised tariff sheets shall be approved upon staff's verification that the tariffs are consistent with our decision herein, that the proposed notice to the customers of the approved increase is adequate, and that the required security discussed below has been filed.

The utility's test year, settlement, proposed interim and proposed final rates, and approved interim rates are depicted in Schedules Nos. 4-A, 4-B, 4-C and 4-D.

SECURITY FOR REFUND

Pursuant to Section 367.082, Florida Statutes, the excess of interim rates over the previously authorized rates shall be collected under guarantee and subject to refund with interest. According to our calculations, the appropriate amount to be held subject to refund is \$66,442. Based on our review of LUSI's financial data, we have determined that LUSI is unable to qualify for a corporate undertaking on its own. However in its application for a rate increase, LUSI indicated that its parent company, Utilities, Inc., would guarantee LUSI's corporate undertaking.

We have reviewed Utilities, Inc.'s financial data. The parent company's records indicate that it has sufficient liquidity, ownership equity, profitability, and interest coverage. Therefore, we find it appropriate to authorize Utilities, Inc. to provide a corporate undertaking to guarantee the corporate undertaking of its subsidiary, LUSI, for the interim rate revenues in the amount of \$66,442. Additionally, the utility shall provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund, pursuant to Rule 25-30.360 (6), Florida Administrative Code.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the final rates and schedules proposed by Lake Utility Services, Inc. are hereby suspended in accordance with Section 367.081(6), Florida Statutes. It is further

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ORDERED that the request for an interim increase in water rates by Lake Utility Services, Inc. is hereby granted to the extent set forth in the body of this Order. It is further

ORDERED that each of the findings made in the body of this Order is hereby approved in every respect. It is further

ORDERED that all matters contained in the schedules attached hereto are by reference incorporated herein. It is further

ORDERED that the approved interim rates shall become effective for service rendered on or after the stamped approval date on the tariff sheets, provided customers have received notice. It is further

ORDERED that the difference between the interim rates granted herein and Lake Utility Services, Inc.'s previously authorized rates shall be collected subject to refund, with interest. It is further

ORDERED that Lake Utility Services, Inc. shall provide a corporate undertaking guaranteed by Utilities, Inc., in the amount of \$66,442 as guarantee of any potential refund of water revenues collected under interim conditions. It is further

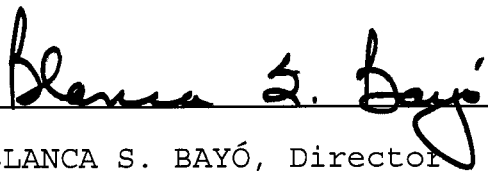
ORDERED that prior to the implementation of the interim rates approved herein, Lake Utility Services, Inc. shall file and have approved tariff pages revised in accordance with the provisions of this Order, appropriate security for the refund, a proposed customer notice, and proof that the customers have received notice of the rate increase.

ORDERED that the tariff sheets will be stamped approved upon verification that they are consistent with our decision herein, that the proposed customer notice is adequate, and that the appropriate security is provided. It is further

ORDERED that during the time the interim rates are in effect, Lake Utility Services, Inc. shall file a report by the twentieth day of each month indicating the monthly and total revenue collected subject to refund, pursuant to Rule 25-30.360(6), Florida Administrative Code.

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By ORDER of the Florida Public Service Commission, this 23rd
day of September, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

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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 25-22.0376, 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.

LAKE UTILITY SERVICES, INC. SCHEDULE OF WATER RATE BASE INTERIM TEST YEAR ENDED 12/31/95			SCHEDULE NO. 1 DOCKET NO. 960444-WU			
COMPONENT	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	ADJUSTED TEST YEAR PER UTILITY	COMMISSION ADJUSTMENTS	COMMISSION- ADJUSTED TEST YEAR	
1 UTILITY PLANT IN SERVICE	\$ 1,946,058	0 \$	1,946,058	0	1,946,058	
2 LAND	3,730	0	3,730	0	3,730	
3 NON-USED & USEFUL COMPONENTS	0	(49,361)	(49,361)	0	(49,361)	
4 ACCUMULATED DEPRECIATION	(131,754)	0	(131,754)	0	(131,754)	
5 CIAC	(881,203)	0	(881,203)	0	(881,203)	
6 AMORTIZATION OF CIAC	109,430	0	109,430	0	109,430	
7 ACQUISITION ADJUSTMENT	(70,169)	0	(70,169)	0	(70,169)	
8 ACCUM. AMORT. OF ACQ. ADJUS.	7,095		7,095	0	7,095	
9 ADVANCES FOR CONSTRUCTION	0	0	0	0	0	
10 DEFERRED TAXES	0	0	0	0	0	
11 WORKING CAPITAL ALLOWANCE	26,093	0	26,093	0	26,093	
RATE BASE	\$ 1,009,280	(49,361) \$	959,919	0	959,919	

LAKE UTILITY SERVICES, INC.
 CAPITAL STRUCTURE
 INTERIM TEST YEAR ENDED 12/31/95

SCHEDULE NO. 2
 DOCKET NO. 960444-WU

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DESCRIPTION	TOTAL CAPITAL	SPECIFIC ADJUSTMENTS (EXPLAIN)	PRO RATA ADJUSTMENTS	CAPITAL RECONCILED TO RATE BASE	RATIO	COST RATE	WEIGHTED COST
PER UTILITY							
1 LONG TERM DEBT	40,625,000	0	(40,191,038) \$	433,962	45.21%	9.19%	4.15%
2 SHORT-TERM DEBT	7,381,250	0	(7,302,403)	78,847	8.21%	9.12%	0.75%
3 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
4 COMMON EQUITY	37,868,798	0	(37,464,278)	404,520	42.14%	11.66%	4.91%
5 CUSTOMER DEPOSITS	14,518	0	0	14,518	1.51%	8.00%	0.12%
6 DEFERRED ITC'S-ZERO COST	0	0	0	0	0.00%	0.00%	0.00%
7 DEFERRED ITC'S-WTD COST	0	0	0	0	0.00%	0.00%	0.00%
8 DEFERRED INCOME TAXES	<u>28,071</u>	<u>0</u>	<u>0</u>	<u>28,071</u>	<u>2.92%</u>	0.00%	<u>0.00%</u>
9 TOTAL CAPITAL	<u>85,917,637</u>	<u>0</u>	<u>(84,957,719) \$</u>	<u>959,918</u>	<u>100.00%</u>		<u>9.94%</u>
PER COMMISSION							
10 LONG TERM DEBT	40,625,000	0	(40,191,038) \$	433,962	45.21%	9.19%	4.15%
11 SHORT-TERM DEBT	7,381,250	0	(7,302,402)	78,848	8.21%	9.12%	0.75%
12 PREFERRED STOCK	0	0	0	0	0.00%	0.00%	0.00%
13 COMMON EQUITY	37,868,798	0	(37,464,278)	404,520	42.14%	10.61%	4.47%
14 CUSTOMER DEPOSITS	14,518	0	0	14,518	1.51%	6.00%	0.09%
15 DEFERRED ITC'S-ZERO COST	0	0	0	0	0.00%	0.00%	0.00%
15 DEFERRED ITC'S-WTD COST	0	0	0	0	0.00%	0.00%	0.00%
16 DEFERRED INCOME TAXES	<u>28,071</u>	<u>0</u>	<u>0</u>	<u>28,071</u>	<u>2.92%</u>	0.00%	<u>0.00%</u>
17 TOTAL CAPITAL	<u>85,917,637</u>	<u>0</u>	<u>(84,957,718) \$</u>	<u>959,919</u>	<u>100.00%</u>		<u>9.47%</u>
RANGE OF REASONABLENESS					LOW	HIGH	
RETURN ON EQUITY					<u>10.61%</u>	<u>12.61%</u>	
OVERALL RATE OF RETURN					<u>9.47%</u>	<u>10.31%</u>	

LAKE UTILITY SERVICES, INC. STATEMENT OF WATER OPERATIONS INTERIM TEST YEAR ENDED 12/31/95			SCHEDULE NO. 3-A DOCKET NO. 960444-WU				
DESCRIPTION	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR	REVENUE INCREASE	COMMISSION REQUIREMENT
1 OPERATING REVENUES	339,294	59,719	399,013	(85,067)	313,946	85,067	399,013
OPERATING EXPENSES:						27.10%	
2 OPERATION AND MAINTENANCE	218,965	0	218,965	0	218,965 \$		218,965
3 DEPRECIATION (NET OFF CIAC AMOR.)	29,578	0	29,578	0	29,578		29,578
4 ACQ. ADJ. AMORTIZATION	(2,175)	0	(2,175)	0	(2,175)		(2,175)
5 TAXES OTHER THAN INCOME	35,332	6,084	41,416	(3,828)	37,588	3,828	41,416
6 INCOME TAXES	9,066	6,796	15,862	(22,618)	(6,756)	30,570	23,814
7 TOTAL OPERATING EXPENSES	290,766	12,880	303,646	(26,446)	277,200	34,398	311,598
8 OPERATING INCOME	48,528	46,839	95,367	(58,621)	36,746	50,669	87,415
9 RATE BASE	1,009,280		959,919		959,919		959,919
RATE OF RETURN	4.81%		9.93%		3.83%		9.11%

LAKE UTILITY SERVICES, INC.
 ADJUSTMENTS TO OPERATING STATEMENTS
 INTERIM TEST YEAR ENDED 12/31/95

SCHEDULE NO. 3-B
 DOCKET NO. 960444-WU
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EXPLANATION	WATER
(1) OPERATING REVENUES	
a) Reverse utility's proposed revenue increase	\$ (85,067)
	0
	0
	0
	<u>\$ (85,067)</u>
(2) TAXES OTHER THAN INCOME TAXES	
a) Regulatory assessment fees related to revenue adjustment	(3,828)
	0
	0
	<u>\$ (3,828)</u>
(3) INCOME TAXES	
a) Income taxes associated with adjusted test year income	<u>\$ (22,618)</u>
(4) OPERATING REVENUES	
a) Adjustment to reflect recommended revenue requirement	<u>\$ 85,067</u>
(5) TAXES OTHER THAN INCOME TAXES	
a) Regulatory assessment fees on additional revenues	<u>\$ 3,828</u>
(6) INCOME TAXES	
a) Income taxes related to recommended income amount	<u>\$ 30,570</u>

LAKE UTILITY SERVICES, INC
 COUNTY: LAKE
 RATE SCHEDULE - MONTHLY WATER RATES (BI-MONTHLY BILLING CYCLE)
 TEST YEAR ENDING: DECEMBER 31, 1995

CRESCENT BAY, PRESTON COVE, SOUTH CLERMONT REGION AND ALL FUTURE AREAS SERVED

	Rates Prior to Filing	Rates Approved In Settlement	Utility Requested Interim	Commission Approved Interim
Residential				
Base Facility Charge:				
<u>Meter Size:</u>				
5/8 x 3/4"	\$16.52	\$6.80	\$16.00	\$8.64
3/4"	--	--	--	\$0.00
1"	--	\$17.00	\$24.00	\$21.61
1 1/2"	--	\$34.00	\$40.00	\$43.21
2"	--	\$54.40	\$80.00	\$69.14
3"	--	--	\$128.00	\$0.00
4"	--	--	\$256.00	\$0.00
6"	--	--	\$400.00	\$0.00
Gallonage Charge per 1,000 Gallons	\$1.86	\$0.84	\$0.91	\$1.07
General Service				
Base Facility Charge:				
<u>Meter Size:</u>				
5/8 x 3/4"	\$16.52	\$6.80	\$16.00	\$8.64
3/4"	\$24.74	--	--	\$0.00
1"	\$41.24	\$17.00	\$24.00	\$21.61
1 1/2"	\$82.49	\$34.00	\$40.00	\$43.21
2"	\$131.97	\$54.40	\$80.00	\$69.14
3"	\$263.94	--	\$128.00	\$0.00
4"	\$412.41	--	\$256.00	\$0.00
6"	--	--	\$400.00	\$0.00
Gallonage Charge per 1,000 Gallons	\$1.86	\$0.84	\$0.91	\$1.07

5/8" x 3/4" meter

Typical Residential Bill

3,000 Gallons	\$22.10	\$9.32	\$18.73	\$11.85
5,000 Gallons	\$25.82	\$11.00	\$20.55	\$13.98
10,000 Gallons	\$35.12	\$15.20	\$25.10	\$19.32

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LAKE UTILITY SERVICES, INC
 COUNTY: LAKE
 RATE SCHEDULE - MONTHLY WATER RATES (BI-MONTHLY BILLING CYCLE)
 TEST YEAR ENDING: DECEMBER 31, 1995

SCHEDULE NO. 4-B
 DOCKET NO. 960444-WU

CLERMONT I & II, AMBER HILL, HIGHLAND POINT, THE ORANGES, LAKE RIDGE CLUB, THE VISTAS I & II
 CRESCENT WEST, LAKE CRESCENT HILLS

Residential and General Service	Rates Prior to Filing	Rates Approved In Settlement	Utility Requested Interim	Commission Approved Interim
Base Facility Charge:				
Meter Size:				
5/8 x 3/4"	\$7.035 (A)	\$6.80	\$16.00	\$8.64
3/4"	--		--	\$0.00
1"	--	\$17.00	\$24.00	\$21.61
1 1/2"	--	\$34.00	\$40.00	\$43.21
2"	--	\$54.40	\$80.00	\$69.14
3"	--	--	\$128.00	\$0.00
4"	--	--	\$256.00	\$0.00
6"	--	--	\$400.00	\$0.00
Gallonge Charge per 1,000 Gallons	\$0.69	\$0.84	\$0.91	\$1.07
5/8" x 3/4" meter				
Typical Residential Bill				
3,000 Gallons	\$7.04	\$9.32	\$18.73	\$11.85
5,000 Gallons	\$7.04	\$11.00	\$20.55	\$13.98
10,000 Gallons	\$10.49	\$15.20	\$25.10	\$19.32
(A) Includes 5,000 gallons per month				

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LAKE UTILITY SERVICES, INC
 COUNTY: LAKE
 RATE SCHEDULE - MONTHLY WATER RATES (BI-MONTHLY BILLING CYCLE)
 TEST YEAR ENDING: DECEMBER 31, 1995
 HARBOR OAKS AND FOUR LAKES SUBDIVISIONS

SCHEDULE NO. 4-C
 DOCKET NO. 960444-WU

Residential and General Service	Rates Prior to Filing	Utility Requested Interim	Commission Approved Interim
Base Facility Charge:			
<u>Meter Size:</u>			
5/8 x 3/4"	\$5.54 (A)	\$7.00	\$7.04
3/4"	--	--	\$0.00
1"	--	\$10.50	\$0.00
1 1/2"	--	\$17.50	\$0.00
2"	--	\$35.00	\$0.00
3"	--	\$56.00	\$0.00
4"	--	\$112.00	\$0.00
6"	--	\$175.00	\$0.00
Gallage Charge per 1,000 Gallons	\$0.81	\$0.85	\$1.03

5/8" x 3/4" meter	Typical Residential Bill		
3,000 Gallons	\$5.54	\$9.55	\$10.13
5,000 Gallons	\$7.16	\$11.25	\$12.19
10,000 Gallons	\$11.21	\$15.50	\$17.34

(A) Includes 3,000 gallons per month

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LAKE UTILITY SERVICES, INC
 COUNTY: LAKE
 RATE SCHEDULE - MONTHLY WATER RATES (BI-MONTHLY BILLING CYCLE)
 TEST YEAR ENDING: DECEMBER 31, 1995

SCHEDULE NO. 4-D
 DOCKET NO. 960444-WU

LAKE SAUNDERS ACRES

Residential and General Service	Rates Prior to Filing	Utility Requested Interim	Commission Approved Interim
Base Facility Charge:			
<u>Meter Size:</u>			
5/8 x 3/4"	\$16.52	\$16.00	\$21.00
3/4"	--	--	\$0.00
1"	--	\$24.00	\$0.00
1 1/2"	--	\$40.00	\$0.00
2"	--	\$80.00	\$0.00
3"	--	\$128.00	\$0.00
4"	--	\$256.00	\$0.00
6"	--	\$400.00	\$0.00
Gallonge Charge per 1,000 Gallons	\$1.86	\$0.91	\$2.36
5/8" x 3/4" meter	Typical Residential Bill		
3,000 Gallons	\$22.10	\$18.73	\$28.09
5,000 Gallons	\$25.82	\$20.55	\$32.82
10,000 Gallons	\$35.12	\$25.10	\$44.64

MEMORANDUM

RECEIVED
SEP 23 1996
11:35AM

SEPTEMBER 20, 1996

FPSC-RECORDS/REPORTING

TO: DIVISION OF RECORDS AND REPORTING
FROM: DIVISION OF LEGAL SERVICES (VACCARO) *OV/MS*
RE: DOCKET NO. 960444-WU - APPLICATION FOR RATE INCREASE AND
FOR INCREASE IN SERVICE AVAILABILITY CHARGES IN LAKE
COUNTY BY LAKE UTILITY SERVICES, INC.

1187-FDF

Attached is an ORDER SUSPENDING PROPOSED RATES AND GRANTING INTERIM RATE INCREASE SUBJECT TO REFUND, with attachments, to be issued in the above-referenced docket. (Number of pages in Order - 16)

attachments set on-line

TV/mw

Attachment

cc: Division of Water and Wastewater (Austin, Crouch, Merchant, Munroe, Rendell, Zhang)

I: 960444OR.TV

Jakes

Requisition for Photocopying and Mailing

Date 9 / 24 / 76
 Number of Originals 16 Copies Per Original 21
 Requested By Ruth

Item Presented

Agenda For (Date) _____ Order No. 96-1187 In Docket No. 76-0447-104
 Notice of _____ For (Date) _____ In Docket No. _____
 Other _____

Special Handling Instructions

Distribution/Mailing

Number	Distributed/Mailed To	Number	Distribution/Mailed To
<u>19</u>	<u>Commission Offices</u>	<u>--</u>	_____
<u>2</u>	<u>Docket Mailing List - Mailed</u>	_____	_____
	<u>Docket Mailing List - Faxed</u>	_____	_____

Note: Items must be mailed and/or returned within one working day after issue unless specified here:

Print Shop Verification

Job Number 236 Verified By Mike
 Date and Time Completed 9/26 Job Checked For Correctness and Quality (Initial) U

Mail Room Verification

Date Mailed 9/76 Verified By J.G.