FLORIDA PUBLIC SERVICE COMMISSION Capital Circle Office Center • 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

MEMORANDUM

DECEMBER 5, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF LEGAL SERVICES (AGARWAL) RA MO

DIVISION OF WATER & WASTEWATER (DEWBERRY, DAVIS)

RE: DOCKET NO. 960132-WS - APPLICATION FOR STAFF-ASSISTED

RATE CASE BY MHC-DEANZA FINANCING LIMITED PARTNERSHIP

D/B/A COLONIES WATER COMPANY

COUNTY: BROWARD

AGENDA: DECEMBER 17, 1996 - REGULAR AGENDA - DECISION PRIOR TO

HEARING - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\LEG\WP\960132RW.RCM

CASE BACKGROUND

On February 6, 1996, MHC-DeAnza Financing Limited Partnership d/b/a Colonies Water Company (Colonies or utility) applied for a staff assisted rate case. We issued Proposed Agency Action (PAA) Order No. PSC-96-1225-FOF-WS, on September 26, 1996, granting new rates and charges for the utility. Order No. PSC-96-1225B-FOF-WS, issued on October 17, 1996, extended the protest period until November 7, 1996.

On November 7, 1996, three customers of MHC-DeAnza Financing Limited Partnership d/b/a Colonies Water Company (Colonies or utility) filed a petition to protest PAA Order No. PSC-96-1225-FOF-WS, pursuant to Rules 25-22.029(4) and 25-22.036(7)(a) and (f), Florida Administrative Code, and this docket was set for hearing. The customers basically alleged that the utility's revenues were understated, expenses were overstated, return on investment was excessive, and that the quality of service was unsatisfactory.

On December 3, 1996, the three customers filed a "Withdrawal of Protest to Proposed Agency Action and Request for Hearing." This recommendation addresses the customers' withdrawal of their protest.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

DOCKET NO. 960132-WS DATE: DECEMBER 5, 1996

DISCUSSION OF ISSUES

ISSUE 1: Should the customers' Withdrawal of Protest of the proposed agency action by Order No. PSC-96-1225-FOF-WU be acknowledged and that order become final?

RECOMMENDATION: Yes, the Withdrawal of Protest should be acknowledged. Order No. PSC-96-1225-FOF-WU should be made final and effective December 17, 1996. (AGARWAL)

STAFF ANALYSIS: As stated in the case background, on December 3, 1996, the protesting customers filed a Withdrawal of Protest of the proposed agency action Order No. PSC-96-1225-FOF-WU. Staff recommends that the Commission acknowledge the customers' Withdrawal of Protest and that Order No. PSC-96-1225-FOF-WU should be made final and effective on December 17, 1996.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if the Commission approves Issue 1 of this recommendation, no further action is necessary in this docket and the docket should be closed. (AGARWAL)

STAFF ANALYSIS: If the Commission approves Issue 1 of this recommendation, no further action is necessary in this docket and the docket should be closed.