

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Limited)
 Proceeding by HIGHLANDS UTILITIES)
 CORPORATION for recovery of cost)
 of increase in cost of meter)
 reading data.)
 _____)

DEPOSIT

DATE

D248

FEB 16 2000

DOCKET NO. 000183 - SU

PETITION FOR LIMITED PROCEEDING

HIGHLANDS UTILITIES CORPORATION, ("HUC"), by and through its undersigned attorneys and pursuant to Section 367.0822, Florida Statutes, files this Limited Proceeding for the purpose of recovering a 1500% increase in the cost of obtaining meter reading data for the customers in its Sebring system and in support thereof

states:

1. HUC provides wastewater only service and based upon

Commission policy utilizes a base facility charge rate structure

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DOCUMENT NUMBER - DATE
01997 FEB 15 8
FPC-RECORDS/REPORTING

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward a copy of check to RAR with proof of deposit.

22925

Initials of person who forwarded check:

63-68/631
BRANCH 002

DATE 2.14.00

PAY TO THE ORDER OF Florida Public Service Commission

\$ 1,000.00

One Thousand

DOLLARS



FOR Highlands Utilities

John J. Lutz
John J. Lutz

022925

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PETITION FOR LIMITED PROCEEDING

HIGHLANDS UTILITIES CORPORATION, ("HUC"), by and through its undersigned attorneys and pursuant to Section 367.0822, Florida Statutes, files this Limited Proceeding for the purpose of recovering a 1500% increase in the cost of obtaining meter reading data for the customers in its Sebring system and in support thereof states:

1. HUC provides wastewater only service and based upon Commission policy utilizes a base facility charge rate structure. HUC obtains water meter readings from the City of Sebring which provides water service to HUC's wastewater customers.

2. At the time of HUC's last rate case in Docket No. 931052-SU, Order No. PSC-94-1234-FOF-SU issued October 11, 1994, HUC was paying the City of Sebring \$0.10 per customer per month to

obtain the water meter reading data. The City of Sebring subsequently increased that amount to \$0.25 per customer per month.

3. The City of Sebring has notified HUC that as of January 1, 2000, the cost of meter reading data on computer disk will be \$1.50 per customer per month, and that each year it will increase by \$0.25 per customer per month. See Exhibit "A" attached hereto. The increase being currently imposed is a 1,500% increase over what the Commission approved in HUC's last rate case.

4. HUC has approximately 1,300 customers, 1,100 of which are on the Sebring system and will be subject to this increase.

5. HUC requests that it be authorized to pass through this increase by including a separate line item on its bills - similar to a franchise fee - so that the customers will clearly see the reason for this increase. Alternatively, HUC requests that it be authorized to increase its rates to its Sebring customers to recover this cost. HUC does not believe it would be fair to increase rates to the customers of its Lake Placid system to recover this fee imposed by the City of Sebring.


6. HUC also requests that any authorized increase include reasonable rate case expenses, such as the filing fee and attorneys costs.

7. Pursuant to Rule 25-30.020(2)(g), Florida Administrative Code, the appropriate filing fee of \$1,000 is enclosed.

WHEREFORE, Highlands Utilities Corporation requests that it be authorized to increase its rates to its Sebring system customers immediately to recover the current increase, and each in the future that the City further increases the cost of obtaining meter reading data.

Respectfully submitted this 14th
day of February, 2000, by:

ROSE, SUNDSTROM & BENTLEY, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301
(850) 877 - 6555


MARTIN S. FRIEDMAN
For the Firm

highlands\limited.pet

GEORGE HENSLEY, JR., MAYOR

COUNCIL:

JOHN CLARK, PRESIDENT
MARGIE RHOADES, PRO. TEMPORE
JEFF CARLSON
ANNETTE DAFF
JOHN GRIFFIN

THE CITY OF
SEBRING

P.O. BOX 9900
SEBRING, FL 33871-9900
(863) 471-5112
(863) 471-5142(FAX)

KATHY HALEY, C.M.C.
CITY CLERK

ROBERT H. HOFFMAN
CITY ADMINISTRATOR

MARTY ROEPSTORFF
UTILITIES DIRECTOR

February 8, 2000

Mr. Dixon Pugh
Highlands Utilities Corporation
720 US 27 South
Lake Placid, FL 33852

RE: Computer Service for Highlands Utilities Corporation

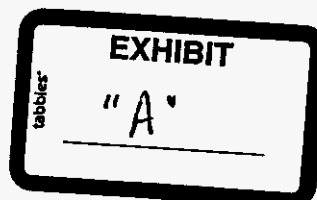
Dear Mr. Pugh:

The City of Sebring has been providing computer generated consumption reports to Highlands Utilities Corporation consumers for some time, at a cost of \$.25 per account. This consumption report is necessary for Highlands Utilities Corporation billing purposes.

Staff is recommending the utility processing fee be increased to \$1.00 per account, or \$1.50 per account if provided on computer disc, with a monthly increase of \$.25, beginning January 1st, of each year. It is further recommended that this agreement be reviewed in four (4) years, for any reconciliation that may be necessary. The \$1.00 or \$1.50 increase would be retroactive and appear on your next billing cycle statement.

The reason for this increase is based on two relative factors. The first is that the City has been producing the consumption report for at least seven (7) years at the same rate of \$.25 per account. The second significant factor is that the City's costs have increased over time and the cost to produce the consumption report has increased proportionately. Presently, our administrative cost per account is approximately \$2.27 and we cannot continue bearing this expense.

Finally, if the printed report and/or formatted disc for the consumption report do not meet your computer standards, we will offer some assistance. We are, however, limited in changing our internal format. Our computer analyst will help you as much as possible but any computer program changes, if available, will be borne by the user.

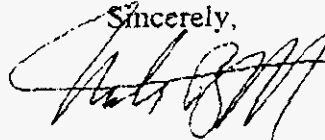


Mr. Dixon Pugh
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Continued

We will instruct our attorney to prepare the contractual documentation necessary to implement these changes within the next 30 days, unless we receive correspondence from you to the contrary.

If you have any questions regarding this matter, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marty Roepstorff', written over a horizontal line.

Marty Roepstorff
Utilities Director

MR/gr
cc: Bob Hoffman, Administrator
Mike Swaine, City Attorney