



Public Service Commission

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RECORDS AND REPORTING

DATE: OCTOBER 5, 2000

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

FROM: DIVISION OF ECONOMIC REGULATION (KYLE, MERCHANT) *PK*
DIVISION OF LEGAL SERVICES (FUDGE) *Y.F. S.M.C.*

RE: DOCKET NO. 000610-WS - APPLICATION FOR UNIFORM SERVICE AVAILABILITY CHARGES IN DUVAL, NASSAU, AND ST. JOHNS COUNTIES BY UNITED WATER FLORIDA INC.
COUNTIES: DUVAL, NASSAU, ST. JOHNS

AGENDA: 10/17/2000 - REGULAR AGENDA - DECISION ON SUSPENSION OF RATES - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 60-DAY SUSPENSION DATE: 10/30/2000

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\000610WS.RCM

CASE BACKGROUND

United Water Florida Inc. (UWF or utility), is a Class A utility providing water and wastewater service to approximately 31,000 customers in Duval, Nassau, and St. Johns Counties.

By Order No. PSC-97-0618-FOF-WS, issued May 30, 1997, in Docket No. 960451-WS, (May Order), the Commission ordered UWF to file a service availability application (Application) within three years of the issuance of that Order. On June 16, 1997, UWF filed a Motion for Reconsideration of the May Order. On September 30, 1997, the Commission issued Order No. PSC-97-1146-FOF-WS, (September Order), Granting in Part and Denying in Part Motion for Reconsideration and Amending Order No. PSC-97-0618-FOF-WS.

On May 19, 2000, UWF filed a Motion for Clarification of Time or in the alternative, Motion for Extension of Time. By Order No. PSC-00-1242-PCO-WS, issued July 10, 2000, the Commission denied

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UWF's Motion for Clarification and approved the utility's Motion for Extension of Time to July 30, 2000.

On July 25, 2000, UWF filed its Application Regarding Service Availability Charges and Policies for Duval, Nassau and St. Johns Counties, Florida, and Petition for Approval of Regulatory Accounting Treatment. On August 8, 2000, staff notified the utility that the filing was deficient. On September 1, 2000, the utility responded to staff's notice of deficiency. Staff has reviewed the additional material filed by the utility, and has determined that the filing meets the requirements of Rule 25-30.565, Florida Administrative Code, and that September 1, 2000 should be considered the official filing date.

In order to process the application and the petition, staff needs time to thoroughly review the utility's justification for the service availability charges and policies, and the requested regulatory accounting treatment. Therefore, staff has prepared the following recommendation.

DISCUSSION OF ISSUES

ISSUE 1: Should UWF's proposed tariffs reflecting implementation of the proposed service availability charges and policies be suspended?

RECOMMENDATION: Yes, UWF's proposed tariffs should be suspended pending further investigation by staff. This docket should remain open pending final action on the application. (KYLE, FUDGE)

STAFF ANALYSIS: Pursuant to Section 367.091(6), Florida Statutes, the Commission may withhold consent to the operation of any or all portions of new rate schedules, by a vote to that effect within 60 days, giving a reason or statement of good cause for withholding that consent. If the Commission does not withhold consent, the proposed tariffs may be assumed in effect after 60 days.

Staff has reviewed the application, and has considered the proposed service availability policies and the information filed in support of the application. We believe it is reasonable and necessary to require further amplification and explanation regarding this data, and to require production of additional and/or

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corroborative data. Based on the above, staff recommends that the utility's requested service availability charges be suspended. This docket should remain open pending final action on the application.