

State of Florida



Public Service Commission

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FEB-7 AM 8:13
COMMISSION CLERK

DATE: FEBRUARY 7, 2002

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

FROM: DIVISION OF ECONOMIC REGULATION (FLETCHER, MERCHANT)
OFFICE OF THE GENERAL COUNSEL (ESPINOZA) *BBF* *FW* *192*

RE: DOCKET NO. 011682-SU - APPLICATION FOR INCREASE IN
WASTEWATER SERVICE AVAILABILITY CHARGES IN LEE COUNTY BY
FOREST UTILITIES, INC.
COUNTY: LEE

AGENDA: FEBRUARY 19, 2002 - REGULAR AGENDA - TARIFF FILING -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 60-DAY SUSPENSION DATE: MARCH 1, 2002

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\011682.RCM

CASE BACKGROUND

Forest Utilities, Inc. (Forest or utility) is a Class B wastewater-only utility in Lee County. As of December 31, 2000, the utility served 2,032 wastewater customers and reported operating revenues of \$645,507 and a net operating loss of \$47,633.

On December 31, 2001, the utility filed an application to increase its system capacity charge. This recommendation addresses the suspension of the utility's proposed tariff sheets. The Commission has jurisdiction pursuant to Section 367.101, Florida Statutes.

DOCUMENT NUMBER-DATE
01458 FEB-78
FPSC-COMMISSION CLERK

DISCUSSION OF ISSUES

ISSUE 1: Should Forest's proposed tariff sheets to increase its system capacity charge be suspended?

RECOMMENDATION: Yes, Forest's proposed tariff sheets to increase its system capacity charge should be suspended pending further investigation. This docket should remain open pending the completion of the service availability case. (FLETCHER)

STAFF ANALYSIS: Pursuant to Section 367.091(6), Florida Statutes, the tariff sheets proposed by the utility shall become effective within sixty (60) days after filing, unless the Commission votes to withhold consent of the request. Further, 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.

Staff has reviewed the filing and has considered the utility's proposed charge, and the information filed in support of the application. It is reasonable and necessary to require further amplification and explanation of this data and to require production of corroborative information, if necessary. The application requires further examination by staff engineers and rate analysts. Therefore, staff recommends that the proposed tariff sheets to increase the system capacity charge should be suspended pending further investigation. This docket should remain open pending the completion of the service availability case.