



# Public Service Commission

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**DATE:** JUNE 6, 2002

**TO:** DIRECTOR, DIVISION OF THE COMMISSION ADMINISTRATIVE SERVICES (BAYÓ)

**FROM:** DIVISION OF ECONOMIC REGULATION (MERTA, RENDELL) OFFICE OF THE GENERAL COUNSEL (ECHTERNACHT)

**RE:** DOCKET NO. 020388-WS - REQUEST FOR APPROVAL TO INCREASE METER INSTALLATION FEES TO CONFORM TO THE CURRENT COST IN LAKE COUNTY BY SUN COMMUNITIES FINANCE, LLC D/B/A WATER OAK UTILITY.  
COUNTY: LAKE

**AGENDA:** 06/18/02 - REGULAR AGENDA - TARIFF FILING - INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** 60-DAY SUSPENSION DATE: JULY 1, 2002

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\ECR\WP\020388.RCM

### CASE BACKGROUND

Sun Communities Finance, LLC d/b/a Water Oak Utility (Sun Communities or utility) is a Class B water and wastewater utility located in Lake County. The utility provides water service to approximately 788 residential customers and 29 general service customers and wastewater service to approximately 790 residential customers and 5 general service customers in Water Oak Country Club Estates, a mobile home community. The utility was granted Water Certificate No. 454-W and Wastewater Certificate No. 388-S pursuant to Order No. 16150, issued May 23, 1986, in Docket No. 850517-WS. The utility's rate base was last established pursuant to Order No. PSC-97-0034-FOF-WS, issued January 7, 1997, in Docket No. 960040-WS. The utility's 2000 Annual Report shows annual operating revenues of \$118,815 and \$130,779, operating expenses of \$101,379

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DATE: May 9, 2002

and \$156,798, and a net operating income of \$17,436 and (\$26,019) for water and wastewater, respectively.

On April 25, 2002, the utility filed an application to increase meter installation fees. This recommendation addresses the suspension of the utility's proposed tariff sheets. The Commission has jurisdiction pursuant to Section 367.091, Florida Statutes.

#### DISCUSSION OF ISSUES

**ISSUE 1:** Should Sun Communities' proposed tariff sheets to increase meter installation fees to conform to the current cost be suspended?

**RECOMMENDATION:** Yes. Sun Communities' proposed tariff sheets to increase its meter installation fees to conform to the current cost should be suspended pending further investigation by staff. This docket should remain open pending the completion of staff's investigation. (MERTA, ECHTERNACHT)

**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 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 information filed in support of the application. We believe it is necessary to require further explanation of this data. Our review of the application will include further examination. Therefore, staff recommends that the proposed tariff sheets to increase meter installation fees to conform to the current cost should be suspended pending further investigation by staff. This docket should remain open pending the completion of staff's investigation.