

State of Florida



Public Service Commission
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TALLAHASSEE, FLORIDA 32399-0850

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COMMISSION CLERK &

DATE: OCTOBER 24, 2002

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

FROM: DIVISION OF ECONOMIC REGULATION (KAPROTH) *KK JS*
OFFICE OF THE GENERAL COUNSEL (HARRIS) *son. West JDJ*

RE: DOCKET NO. 971504-WU - INVESTIGATION OF WATER RATES OF A. P. UTILITIES, INC. IN MARION COUNTY FOR POSSIBLE OVEREARNINGS.
COUNTY: MARION

AGENDA: 11/05/02 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\971504.RCM

CASE BACKGROUND

Originally, A.P. Utilities, Inc. (APU or utility) was a Class B water utility which had seven water systems that served approximately 1,017 residential water customers in Marion County. The Commission approved the transfer of two of APU's seven water systems to Ocala Oaks Utilities, Inc. in Docket No. 981030-WU. The Commission approved the transfer of four of the remaining five systems to Marion County in Docket No. 010506-WU. The Commission approved the transfer of the remaining system, Quail Run, to Sunshine Utilities of Central Florida, Inc. in Docket No. 020256-WU and APU's certificate was cancelled.

This recommendation addresses the closing of the Regulatory Assessment Fees (RAFs) escrow account established by Order No. PSC-99-1459-PAA-WU, issued July 27, 1999, in Docket No. 971504-WU.

DOCUMENT NUMBER-DATE

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PSC COMMISSION CLERK

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Mr. Phillip Woods, the utility owner, closed the escrow account on July 19, 2002.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve closure of the Regulatory Assessment Fees escrow account?

RECOMMENDATION: Yes. The Commission should approve closure of the Regulatory Assessment Fees escrow account opened pursuant to Order No. PSC-99-1459-PAA-WU. (Kaproth)

STAFF ANALYSIS: Order No. PSC-98-0044-PCO-WS, issued January 6, 1998, in Docket No. 971504-WS, ordered APU to establish an interest bearing escrow account as security for potential overearnings. Order No. PSC-99-1459-PAA-WU, issued July 27, 1999, closed the overearnings escrow account and required another escrow account to insure timely payment of RAFs. This escrow account was needed because the utility had not paid the majority of its RAFs from 1991 through 1998 in a timely manner or at all. At this time, the utility has paid the RAFs, penalties, and interest required by Order No. PSC-99-1459-PAA-WU; the last payment of RAFs for the Quail Run system was made on March 5, 2002. As there are no outstanding penalties or interest owed, Mr. Woods closed the account on July 19, 2002. Since outstanding RAFs, penalties and interest have been paid, the Commission should approve closure of the RAFs escrow account required by Order No. PSC-99-1459-PAA-WU.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, no further action is necessary and this docket should be closed. (Harris)

STAFF ANALYSIS: Provided that the Commission approves staff's recommendation in Issue 1, this docket should be closed. As all outstanding RAFs, penalties and interest have been paid and the Quail Run system has been transferred to Sunshine Utilities of Central Florida, Inc. No further actions are required in this docket.