

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for approval to establish a service availability charge for new radio frequency meter installations, by Southlake Utilities, Inc.

DOCKET NO. 20220112-WS
ORDER NO. PSC-2022-0332-TRF-WS
ISSUED: September 27, 2022

The following Commissioners participated in the disposition of this matter:

ANDREW GILES FAY, Chairman
ART GRAHAM
GARY F. CLARK
MIKE LA ROSA
GABRIELLA PASSIDOMO

ORDER APPROVING SERVICE AVAILABILITY CHARGES FOR NEW RADIO
FREQUENCY METER INSTALLATIONS

BY THE COMMISSION:

Background

Southlake Utilities, Inc. (Southlake or utility) is a Class B utility which provides water and wastewater service to approximately 3,371 water and 3,194 wastewater customers in Lake County. According to the utility's 2021 annual report, the utility's operating revenues were \$981,750 for water and \$1,329,614 for wastewater. The utility's operating expenses were \$719,108 for water and \$1,224,689 for wastewater.

On June 15, 2022, Southlake filed an application to establish service availability charges for new radio frequency meter installations. The official filing date was established as July 15, 2022. On July 27, 2022, the utility waived the 60-day suspend provision of Section 367.091(6), Florida Statutes (F.S.). Service availability charges are cash contributions new customers or developers make to a utility prior to connecting to the facilities; meter installation charges are a type of service availability charge. This order addresses radio frequency meter installation charges for Southlake. We have jurisdiction pursuant to Sections 367.081, 367.091 and 367.101, F.S.

Decision

Revision of Meter Installation Charges

Pursuant to Section 367.101, F.S., we shall set just and reasonable charges and conditions for service availability. The utility's existing meter installation charges were set in 1991 at \$130 for the 5/8 x 3/4 inch meter, \$210 for the 1-inch meter, and at actual cost for all other meter

sizes.¹ The existing meters are manual read while the new meters the utility will install are radio frequency (RF) meters. The utility indicated that, in time, the RF meters would help lower Southlake's meter reading labor costs and provide more system information from meter reads.

Southlake's proposed material and installation costs for RF meters are \$402.31 for the 5/8 x 3/4 inch meter and \$556.49 for the 1-inch meter. All other meter sizes are at actual cost. Pursuant to Rule 25-30.565(3)(t), Florida Administrative Code, Southlake is required to provide a schedule showing, by meter size, the cost of meters, connecting fittings, meter boxes or enclosures and also showing sufficient data on labor and any other applicable costs to allow the determination of an average cost for meter installation by type. Table 1 reflects the utility's cost justification for its requested meter installation charges.

Table 1
Service Availability Charges
Meter Installation Cost

New Meter Cost		
	5/8 x 3/4"	1"
Radio Frequency Meters	\$225.77	\$376.64
Double Meter Box	\$46.22	\$46.22
Meter Coupling	\$9.29	\$10.48
Backflow Check Valve	\$89.88	\$92.00
Total Material Cost	\$371.16	\$525.34
Labor to install (one hour)	\$23.08	\$23.08
Overhead (35 percent)	\$8.08	\$8.08
Total Meter Installation Cost	\$402.31	\$556.49

Source: Utility's Cost Justification

Southlake's proposed meter installation charges are based on the estimated cost to install RF meters, the required backflow prevention device for each meter size, and labor associated with the installation. The utility provided invoices to support the material charges. The labor costs are based on the average hourly rate of two employees. We have previously approved meter installation charges at this amount for the 5/8 x 3/4 inch meter.² We find the meter installation charges are reasonable and shall be approved.

At this time, the proposed meter installation charges are applicable only to new customers who would be contributing infrastructure to the utility. Southlake explained that it has replaced existing meters with the RF meters in localized communities, at its own expense, in order to

¹Order No. 24564, issued May 21, 1991, in Docket No. 900738-WS, *In re: Application of Southlake Utilities, Inc. for water and wastewater certificates in Lake County.*

²Order No. PSC-18-0271-PAA-WS, issued May 30, 2018, in Docket No. 20160220-WS, *In re: Application for original water and wastewater certificates in Sumter County, by South Sumter Utility Company, LLC.*

offset the expense of hiring additional personnel. The utility indicates a complete change out of existing manual read meters will be a capital project in the future.

Conclusion

Southlake's request to revise its meter installation charges shall be approved. The appropriate meter installation charges shall be \$402.31 for the 5/8 x 3/4 inch meter, \$556.49 for the 1-inch meter, and at actual cost for all other meter sizes. The utility shall file a revised tariff sheet and a proposed notice to reflect the approved meter installation charges. Southlake shall provide notice to property owners who have requested service beginning 12 months prior to the establishment of this docket. The approved charge shall be effective for connections made on or after the stamped approval date on the tariff sheet. The utility shall provide proof of noticing within 10 days of rendering the approved notice.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Southlake Utilities, Inc.'s request to revise its meter installation charges shall be approved. The appropriate meter installation charges shall be \$402.31 for the 5/8 x 3/4 inch meter, \$556.49 for the 1-inch meter, and at actual cost for all other meter sizes. It is further

ORDERED the utility shall file a revised tariff sheet and a proposed notice to reflect the approved meter installation charges. It is further

ORDERED that Southlake Utilities, Inc. shall provide notice to property owners who have requested service beginning 12 months prior to the establishment of this docket. The approved charge shall be effective for connections made on or after the stamped approval date on the tariff sheet. The utility shall provide proof of noticing within 10 days of rendering the approved notice. It is further

ORDERED the docket shall remain open pending verification that the revised tariff sheet and notice has been filed by Southlake Utilities, Inc. and approved by our staff. If a protest is filed within 21 days of the issuance date of this Order, the tariff shall remain in effect with the charge held subject to refund pending resolution of the protest. If no timely protest is filed, a consummating order shall be issued and, once our staff verifies that the notice of the charge has been given to property owners, the docket shall be administratively closed.

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By ORDER of the Florida Public Service Commission this 27th day of September, 2022.



ADAM J. TEITZMAN
Commission Clerk
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

RPS

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 18, 2022.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.