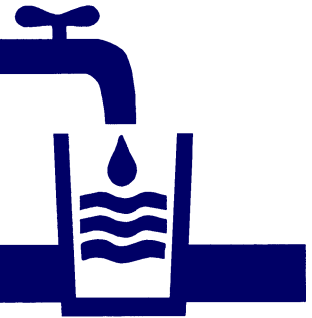


# SPECIAL REPORT



JUNE 1999 NO. 11

## Mid-County Services, Inc.

On September 4, 1997, Mid-County Services, Inc. (Mid-County or utility) filed with the Florida Public Service Commission (PSC) an application for increased wastewater rates in Pinellas County. Mid-County is a wastewater company that serves 1,327 residential customers, 108 general service customers, 69 multi-family dwellings and three flat rate customers. Water service and billing is provided by Pinellas County.

The utility states in its application that it is seeking an increase in its wastewater rates because the existing rates are insufficient to provide a fair return on its investment in property used to provide the service. Mid-County's last rate increase was granted in November 1993.

The utility selected a historical test year ending December 31, 1996 for this rate case. A "test year" is a 12-month operating period used in a utility rate case to evaluate the cost of service and the adequacy of the rates a utility is charging or is proposing to charge its customers.

The utility's proposed final rates were designed to generate \$1,225,899 in annual operating revenues, reflecting a 38.83% overall increase. Mid-County maintained this increase was necessary in order to obtain a fair and reasonable return of 9.47%. On December 22, 1997, the Commission approved increased revenues of \$1,177,602 on an interim basis, subject to refund. These revenues exceed test year revenues by 28.90%.

The current rate case was processed under the PSC's "Proposed Agency Action" (PAA) procedure. Under the PAA process, a case is not set for a formal Commission hearing unless a timely protest to the Commission's proposed action is filed.

By PAA Order No. PSC-98-0524-FOF-SU, issued on April 16, 1998, the Commission proposed annual operating revenues of \$989,747, an increase of 8.34% over the previously authorized rates. The Commission further stated that all provisions would become final and the docket would be closed unless a timely protest was filed. However, on May 7, 1998, Mid-County filed a timely petition protesting the proposed order and requested a formal Commission hearing.

As part of the discovery process, the Commission will conduct two customer hearings, in conjunction with a technical hearing. The hearings will allow customers the opportunity to provide input to the Commission, which will become part of the official record for this case and will assist Commissioners in reaching their decision.

The hearings will be held in Dunedin, Florida to hear testimony and evidence from customers and various expert witnesses sponsored by the parties to this proceeding, including the Office of Public Counsel, which has intervened on behalf of the citizens. The hearings are scheduled for June 21-22, 1999. The Commission's technical hearing will also be open to the public.

PSC staff is scheduled to make a recommendation to the Commission on August 19, 1999 and the Commission vote on this matter is scheduled for August 31, 1999.

## CUSTOMER HEARING

Application for a rate increase in Pinellas County by

### Mid-County Services, Inc.

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DOCKET NO. 971065-SU

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Monday, June 21, 1999  
10:00 a.m. and 6:30 p.m.  
Dunedin City Hall  
City Commission Chambers  
542 Main Street  
Dunedin, FL

### PSC Staff and Reference Numbers

#### For technical questions, contact:

Division of Water and Wastewater  
Bob Crouch (850) 413-6946  
Barry Davis (850) 413-6437

#### For legal questions, contact:

Division of Legal Services  
Jennifer Brubaker (850) 413-6228

#### For general information, contact:

Thelma Crump (850) 413-7087  
Robby Cunningham (850) 413-6129  
or call toll free 1-800-342-3552  
1-800-511-0809 to FAX  
Internet: [contact@psc.state.fl.us](mailto:contact@psc.state.fl.us)  
Home Page: <http://www.scri.net/psc>

# FPSC Commissioners



## **Joe Garcia**

Chairman Joe Garcia was appointed by the late Governor Lawton Chiles in August 1994 to complete a term ending in January 1998, and was then reappointed by Governor Chiles to a new term ending January 2002. He was installed as Chairman of the Florida Public Service Commission in January 1999. Prior to his service on the Commission, he was Executive Director of the Cuban Exodus Relief Fund, the Cuban American National Foundation's private sector resettlement program, and was Assistant Director of the Salvadoran American Foundation, where he coordinated fund-raising efforts for humanitarian relief campaigns. Chairman Garcia is presently Vice Chair of the National Association of Regulatory Utility Commissioners (NARUC) Committee on International Relations and serves on the NARUC Ad Hoc Committee on Consumer Affairs. He has also served on the Department of Energy's National Electric and Magnetic Fields Advisory Committee. He received a bachelor of arts degree in politics and public affairs, as well as a law degree, from the University of Miami. He is a director of The Beacon Council, The Latin Chamber of Commerce of USA (CAMACOL), and the South Beach Latin Chamber of Commerce.



## **J. Terry Deason**

Commissioner Deason was first appointed by the Florida Public Service Commission Nominating Council in February 1991 for a term ending in January 1995. He has been reappointed to consecutive terms by the late Governor Lawton Chiles and Governor Jeb Bush. Commissioner Deason's current term ends in January 2003. He served as Commission Chairman from January 5, 1993 through January 2, 1995. Commissioner Deason is an active member of the National Association of Regulatory Utility Commissioners (NARUC). Deason currently

serves on NARUC's Board of Directors, its Finance and Technology Committee, and Utility Association Oversight Committee. Prior to his appointment, Deason served as Chief Regulatory Analyst in the Office of Public Counsel. In that capacity, Commissioner Deason was responsible for the coordination of accounting and financial analysis used by the Public Counsel in cases before the Public Service Commission, presented testimony as an expert witness, and consulting with the Public Counsel on technical issues and ratemaking policies concerning regulated utilities in the State of Florida. From 1981 to 1987, he served as Executive Assistant to PSC Commissioner Gerald L. Gunter, during which time he reviewed and analyzed staff recommendations and advised the Commissioner on those recommendations and other pertinent policy determinations. From 1977 to 1981, he served as a Legislative Analyst with the Office of Public Counsel. He attended the U.S. Military Academy at West Point, and in 1975 received his bachelor of science degree in accounting, summa cum laude, from Florida State University. Deason also received his master of accounting degree from FSU in 1989.



## **Julia L. Johnson**

Commissioner Johnson was appointed by the late Governor Lawton Chiles in January 1993 and was reappointed to another four-year term ending in 2001. She served as Commission Chairman from January 7, 1997, through January 5, 1999. Prior to her appointment, she served as Legislative Affairs Director for the Department of Community Affairs (DCA), where she represented the agency before the Florida Legislature on issues relating to economic development, land-use growth management, energy efficiency, housing, and emergency manage-

ment. From 1990-91 she served as a senior attorney for DCA where she participated in state judicial and administrative proceedings on growth management issues. From 1988-90 she was an associate with the Orlando law firm of Maguire, Voorhis and Wells. Commissioner Johnson has a bachelor of science degree in business administration, as well as a law degree, from the University of Florida, and is a member of the National Bar Association. She serves as Vice Chair of the National Association of Regulatory Utility Commissioners' Communications Committee, and is also a member of the Communications Subcommittee on Federal Legislation and Regulation. She also serves as State Chair of the Federal/State Joint Board on Universal Service.



## **Susan F. Clark**

Commissioner Clark was first appointed to the Commission in August 1991 and was recently reappointed to a term ending in 2003. She served as Commission Chairman from January 2, 1995, through January 7, 1997. She served the Commission as General Counsel, representing the commissioners in all state and federal courts, from 1988 until she was appointed Commissioner. Prior to that, she served as Associate General Counsel and Deputy General Counsel. Before her employment with the Public Service Commission, she was

staff attorney with the Florida Joint Administrative Procedures Committee, and was staff attorney for Florida Senate Legislative Services. Commissioner Clark received her bachelor's degree in political science and her juris doctor degree from the University of Florida. She is a member of the Florida Bar and is admitted to practice in several federal courts, including the U.S. Supreme Court. She serves as Chair of the National Association of Regulatory Utility Commissioners' (NARUC) Committee on Electricity, and Chair of the Ad Hoc Committee on Electric Industry Restructuring. She represents NARUC on the North American Electric Reliability Council, and is a member of the Electric Power Research Institute Advisory Council and the Steering Committee of the National Council on Competition.



## **E. Leon Jacobs, Jr.**

Commissioner Jacobs was appointed by the late Governor Lawton Chiles to a four-year term beginning January 1998. Prior to his appointment, he was a staff attorney for the House Committees on Tourism and Economic Development, Insurance, and Financial Services in the Florida House of Representatives, where he authored reforms to the state's minority business enterprise programs and managed health insurance and workers' compensation issues. He was staff counsel to the Florida Senate Committee on Reapportionment addressing redistricting

issues, which involved support of court appeals of the political districts up through the U.S. Supreme Court. He also was an attorney with the Florida Public Service Commission, where he served as counsel to Commission staff and litigator of administrative proceedings. He is a member of the National Association of Regulatory Utility Commissioners' (NARUC) Committee on Water, chairs NARUC's Ad Hoc Task Force on Y2K Readiness, and is a member of the Environmental Protection Agency's (EPA) Small Systems Working Group under the National Drinking Water Advisory Council (NDWAC). He is also a board member of Child Advocates II of Tallahassee, and a volunteer guardian in the Guardian Ad Litem Program (GAL) in the Second Judicial Circuit. Commissioner Jacobs formerly served as President of the Board of Directors of the Tallahassee affiliate of Habitat for Humanity. Commissioner Jacobs is a member of the Florida Bar. He received a bachelor of technology degree, with honors, in data processing from Florida A&M University, and his juris doctor degree from the College of Law at Florida State University.

## WASTEWATER MONTHLY SERVICE

Class	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Commission Recommended Final
<u>BI-MONTHLY RATES</u>				
<b>Residential</b>				
Base Facility Charge:				
All meter sizes	\$ 28.80	\$ 36.98	\$ 38.66	\$ 29.31
Gallonge Charge -				
Per 1,000 Gallons (20,000 gallon cap)	\$ 1.51	\$ 1.93	\$ 2.03	\$ 1.60
<b>General Service and Multi-Family</b>				
Base Facility Charge				
Meter Size:				
5/8" x 3/4"	\$ 28.80	\$ 36.98	\$ 38.66	\$ 29.31
1"	\$ 72.01	\$ 92.44	\$ 96.65	\$ 73.27
1 1/2"	\$ 144.02	\$ 184.87	\$ 193.30	\$ 146.54
2"	\$ 230.44	\$ 295.79	\$ 309.29	\$ 234.46
3"	\$ 460.89	\$ 591.59	\$ 618.57	\$ 468.92
4"	\$ 720.13	\$ 924.13	\$ 966.52	\$ 732.69
6"	\$ 1,440.28	\$ 1,848.74	\$ 1,933.03	\$ 1,465.39
Gallonge Charge, per 1,000 Gallons	\$ 1.81	\$ 2.32	\$ 2.43	\$ 1.92
<b>Flat Rate</b>				
Residential	\$ 50.67	\$ 65.04	\$ 68.01	\$ 55.54
Mobile Home Park	\$ 1,595.45	\$ 2,047.92	\$ 2,141.57	\$ 978.52

## Customer Statements at PSC Hearings

The PSC is interested in what utility customers have to say about the application for a rate increase in Pinellas County by Mid-County Services, Inc. One purpose of these customer hearings is to receive comments from the public.

Anyone may make a statement, and speaking is an effective way to let the Commission know how you feel about the case under review. Those customers who wish to speak should arrive early. The hearings will begin as scheduled and continue until all the customers have been heard.

At the beginning of the hearings, procedures will be set up to establish an order for testimony. The Public Service Commission staff will have sign-up sheets, and customers will be called in the order of those sheets. PSC staff will be available to coordinate customer comments and assist members of the public.

Any person who wishes to comment or provide information to PSC staff may do so at the meeting, orally or in writing. Written comments may be sent to the Commission at: Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. Your letter will be placed in the correspondence file for this docket (Docket No. 971065-SU). For your convenience, a comment form is attached to this Special Report. You may also call the Commission's toll-free number, **1-800-342-3552**, or **1-800-511-0809** to FAX.

Any person who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by writing to: Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850.

### Florida Public Service Commission

BUREAU OF

## Consumer Information and Conservation Education

2540 Shumard Oak Boulevard  
Betty Easley Conference Center-Room 184

The Public Service Commission's Bureau of Consumer Information and Conservation Education provides a staff of information specialists who are available to answer questions from the media and from Florida consumers.

To reach a PSC media representative, please call the Bureau of Consumer Information and Conservation Education during business hours: (850) 413-6100 or send a fax to 1-800-511-0809. See the PSC's Internet home page at <http://www.scri.net/psc>.



STAMP

Florida Public Service Commission  
Division of Records and Reporting  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

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