IN THE DISTRICT COURT OF APPEAL IN AND FOR THE STATE OF FLORIDA FIRST DISTRICT

CITRUS COUNTY, FLORIDA, and CYPRESS AND OAKS VILLAGES ASSOCIATION,

Appeal No.:

PSC Docket No.: 92-0199-WS

Appellants,

vs.

ACK

EAG _

LEG _

OPC _

WAS_

SOUTHERN STATES UTILITIES, INC., and THE FLORIDA PUBLIC SERVICE COMMISSION,

Appellees.

CIT

APPELLANT TO ENFORCE AUTOMATIC STAY AND SUGGESTION FOR CONTEMPT

Appellant, Board of County Commissioners of Citrus County ("Citrus County"), by and through its undersigned counsel, moves this Honorable Court to issue its Order requiring Appellee Southern States Utilities, Inc. ("Southern States" or the "Utility") to obey the Automatic Stay resulting from Citrus County filing its Notice of Appeal and Amended Notice of Appeal in this cause on October 8, 1993 and October 12, 1993, espectively. Furthermore, Citrus County respectfully suggests this Court both find Southern States in contempt of court and the Florida Rules of Appellate Procedure for violating the Automatic Stay and impose sanctions appropriate to the contempt, as authorized by Fla.R.App.P. 9.410. In support of its Motion, Citrus County states as follows:

Appellant Citrus County, a "public body" as defined by 1. Rule 9.310, Fla.R.App.P., is a party to Appellee Florida Public

BOCUMENT HEMBER-DATE

Service Commission's ("PSC") Docket No. 920199-WS, which was a Section 120.57(1), F.S., proceeding held to establish the customer rates of Southern States for some 127 geographically distinct water and wastewater systems commonly owned by the Utility. Appellant COVA is a homeowners association whose members are served by Southern States' Sugar Mill Woods water and wastewater systems located in Citrus County, Florida. COVA is also a party to PSC Docket No. 920199-WS.

- 2. On March 22, 1993, the PSC panel assigned to the case issued its Order No. PSC-93-0423-FOF-WS, which was the final order in Docket No. 920199-WS. The final order approved, among other things, the implementation of uniform statewide water and wastewater rates, whose purpose is to charge the customers of each of the 127 systems the same rates without regard to the individual operating costs and plant investment in each. (See App. A, depicting approved uniform base facility and gallonage rates). The final order granted Southern States a revenue increase of approximately \$6.7 million, which is less than it is currently receiving under the interim rates approved by the PSC.
- 3. Pursuant to the uniform rates, customers of Appellant COVA are required to support a total annual water and wastewater subsidy of \$528,871 above the rates they would pay if their utility systems were regulated individually. (See asterisked lines on pages 1 and 4 of App. A). Both Citrus County and COVA opposed the PSC's approval of the uniform rates.
 - 4. Motions for Reconsideration were filed with the PSC by

a number of parties, including Citrus County and COVA. Citrus County and COVA's primary issues on reconsideration questioned the legality of the uniform statewide water and wastewater rates, lack of notice, and lack of competent, substantial evidence to support adoption of the uniform rates. The PSC panel assigned to the docket considered and denied the motions for reconsideration at agenda conferences held on July 20 and August 3, 1993. The PSC panel, also, voted, on its own motion, to adjust Southern States' interim rate refund liability and to incorporate that decision in the order disposing of the earlier Motions for Reconsideration.

- 5. Pursuant to Rule 9.020(g)(1), Fla.R.App.P, the final order in the rate case should not be considered "rendered" until the filing of a signed, written order disposing of the motions for reconsideration. Accordingly, the time for seeking judicial review of the final order would be tolled pending the filing of such an order. The PSC did not publish its Order on Reconsideration (PSC-93-1598-FOF-WS) until November 2, 1993.

 App. B.
- 6. Citrus County and COVA, along with certain other persons affected by the uniform rates, who were not parties to the rate case because of the alleged lack of notice to them, jointly petitioned the full PSC for a review of the legality and appropriateness of uniform rates for Southern States. The PSC denied the joint petition, but, on its own motion, initiated a separate investigatory docket for the same purpose. (See App. ·C,

PSC Order PSC-93-1422-FOF-WS, dated September 30, 1993, establishing investigation of uniform rates).

- 7. Prior to, and notwithstanding the absence of, a signed, written order disposing of the motions for reconsideration, Southern States filed, and the PSC staff "administratively approved", rate tariff sheets implementing the uniform rates. The PSC staff letter was dated September 15, 1993 and approved the uniform rates for billing on services and consumption on or after September 15, 1993. (See App. D, PSC staff letter dated September 15, 1993).
- 8. Irrespective of whether there exists legal authority for PSC staff to "approve" the implementation of new customer rates without the "rendition" of a final order in the case, it did so. It also appears that Southern States' customers were not given contemporaneous notice that their service rates were changed effective September 15, 1993 and that they, therefore, did not have the ability to adjust their consumption to their budgets, if necessary. Southern States has, in fact, subsequently begun billing its customers for the uniform rates. (See App. E, Southern States' "Notice of Final Rates"). It did so in the face of there being no "appealable" order that would allow Citrus County, or any other party, to seek a judicial stay of the rates pending review, and in violation of an Automatic Stay obtained by Citrus County.
- 9. Still without a signed, written order disposing of the Motions for Reconsideration, but facing the accomplished "agency

action" of the PSC staff approving the uniform rate tariffs and the imminent September 15, 1993 implementation of those rates, Citrus County and COVA filed their Notice of Appeal on October 8, 1993 naming Southern States as an appellee. An Amended Notice of Appeal, adding the PSC as an appellee, was filed on October 11, 1993.

- 10. Rule 9.020(g), Fla.R.App.P., provides that an "order is rendered when a signed, written order is filed with the clerk of the lower tribunal". (Emphasis supplied). The rule further provides that the date of rendition may be postponed by the filing of certain enumerated post-judgment motions, such as motions for rehearing, clarification, certification, and others. Pursuant to PSC practice, a "final order shall not be deemed rendered for the purpose of judicial review until the Commission disposes of any motion and cross motion for reconsideration of that order . . . ". Rule 25-22.060(1)(c), F.A.C. Accordingly, a motion for reconsideration of a PSC order postpones the date of its rendition until a signed, written order disposing of the motion.
 - 11. Rule 9.020(g)(1), Fla.R.App.P., states:
 - (1) If such a motion or motions have been filed, the final order shall not be deemed rendered with respect to any claim between the movant and any party against whom relief is sought by the motion or motions until the filing of a signed, written order disposing of all such motions between such parties.

Given no more, it would appear that the PSC staff's approval of Southern States' uniform rate tariffs, coupled with the PSC's failure to issue a signed, written order disposing of the Motions

for Reconsideration, could force the Utility's customers to begin paying rates, which they maintain are illegal and excessive, without the ability to either appeal the underlying decision or obtain a stay of the rates pending judicial review.

- 12. Fortunately, it appears that the Florida Supreme Court foresaw this quandary when it approved Rule 9.020(g)(3), Fla.R.App.P., which states:
 - (3) If such a motion or motions have been filed and a notice of appeal is filed before the filing of a signed, written order disposing of all such motions, all motions filed by the appealing party that are pending at the time shall be deemed abandoned, and the final order shall be deemed rendered by the filing of the notice of appeal as to all claims between parties who then have no such motions pending between them.

Thus, pursuant to Rule 9.020(g)(3), Fla.R.App.P., Citrus County and COVA's filing of a Notice of Appeal before the filing of a signed, written order disposing of the Motions for Reconsideration, caused those motions to be abandoned and established that "the final order shall be deemed rendered by the filing of the notice of appeal as to all claims between parties who then have no such motions pending between them". See, In re: Forfeiture of \$104,591 in U.S. Currency, 578 So.2d 727 (Fla. 3d DCA 1991). Accordingly, the PSC's Final Order would have been considered "rendered" on October 8, 1993, the date Appellants filed their initial Notice of Appeal.

- 13. Rule 9.310(b)(2), Fla.R.App.P., provides:
- (2) Public Bodies; Public Officers. The timely filing of a notice shall automatically operate as a stay pending review, except in criminal cases, when the state, any public officer in an official capacity, board, commission, or other public body seeks review;

provided that an automatic stay shall exist for 48 hours after the filing of the notice of appeal for public records and public meeting cases. On motion, the lower tribunal or the court may extend a stay, impose any lawful conditions, or vacate the stay.

Citrus County is a "public body" within the meaning of Rule 9.310(b)(2), Fla.R.App.P., and its filing of a Notice of Appeal with this Court on October 8, 1993 automatically operated as a stay of Order No. PSC-93-0423-FOF-WS, and the implementation of the uniform rates, pending this Court's judicial review. Citrus County and COVA both verbally notified Southern States and the PSC staff of the filing of the Notice of Appeal and provided them with facsimile copies of the document on October 8, 1993. Additionally, Citrus County and COVA wrote Southern States advising it that an automatic stay had been obtained and suggesting a course of action during the pendency of the judicial review and the PSC-initiated investigation into the appropriateness of uniform rates for Southern States.

- 14. Had Southern States wished to lawfully implement the uniform rates pending judicial review, it should have, as provided by Rule 9.310(b)(2), Fla.R.App.P., filed a motion with either this Court or the PSC to vacate, or otherwise impose lawful conditions, on the stay. Initially, Southern States did not do so, electing instead, in violation of the automatic stay, to unilaterally bill its customers for the uniform rates.
- 15. On October 18, 1993, ten (10) days after the filing of the Notice of Appeal with this Court, Southern States filed with the PSC its Motion to Vacate Automatic Stay. On October 26,

- 1993, Citrus County filed the PSC its Response In Opposition To Southern States' Motion To Vacate Automatic Stay and motion For Reduced Interim Rates Pending Judicial Review, For Recalculated Customer Bills, Refunds And Imposition Of Penalties For Violating Automatic Stay. Given the PSC's procedural rules, it appears unlikely that it will be able to rule on the Motion to Vacate Automatic Stay prior to the end of November, 1993.
- only logical, but essential, given the facts of this case. Faced with the September 15, 1993 PSC staff approval of the uniform rates and Southern States' actual billing of those rates, Citrus County and COVA could not, and should not, have been held captive to the PSC's lack of alacrity in issuing its Order on Reconsideration. The filing of a Notice of Appeal by Citrus County and COVA, by operation of Rule 9.020g)(3), Fla.R.App.P., rendered Order No. PSC-93-0423-FOF-WS final on October 8, 1993. Southern States argues, however, that this Court should consider that the Appellants, in their attempt to protect themselves from the realized agency action, have missed the deadline for appealing, which they assert is now thirty (30) days after the March 22, 1993 publication of Order No. PSC-93-0423-FOF-WS.
- 17. Southern States construction is not only irrational and illogical, but also directly flies in the face of Rule 9.020(g)(3), Fla.R.App.P., which states, in pertinent part:
 - (3) ... the final order shall be <u>deemed rendered by the filing of the notice of appeal</u> as to all claims between parties who then have no such motions pending between them. (Emphasis supplied).

It is clear from the above rule that the final order is considered rendered when, and not before, the notice of appeal is filed. Accordingly, Order No. PSC-93-0423-FOF-WS was rendered final on October 8, 1993.

- 18. Appellants were faced with paying rates they were legally entitled to have stayed pending judicial review because, through PSC inaction, they had no "final order" to appeal.

 Appellants' filing of their Notice of Appeal abandoned their Motions for Reconsideration before the PSC, but "rendered" the PSC's rate order final for appellate purposes. Accordingly, Citrus County and COVA's Amended Notice of Appeal is timely and this Honorable Court has jurisdiction to review Order No. PSC-93-0423-FOF-WS.
- 19. Pending the PSC's resolution of Southern States' Motion to Vacate, Southern States will continue to charge and bill its customers for the uniform rates in open and clear violation of the Automatic Stay obtained pursuant to rules promulgated by the Florida Supreme Court. Citrus County and the other customers of Southern States will suffer irreparable harm if Southern States is allowed to continue to violate the Automatic Stay.

WHEREFORE, Citrus County respectfully requests that this
Court enter its Order enjoining Southern States from further
violation of the the Automatic Stay pending judicial review by
this Court. Criterion Insurance Company v. State, Dept. of Ins.,
458 So.2d 22, 28 (Fla. 1st DCA 1984) (district court of appeal is
authorized to enjoin administrative order during pendency of

001721

review proceeding). In doing so, this Court should Order Southern States to immediately begin charging the interim rates it was charging prior to the imposition of the Automatic Stay and to issue the appropriate refunds resulting from the uniform rates being improperly implemented. Lastly, Citrus County would respectfully suggest this Court find Southern States in contempt for its willful and intentional violation of the Automatic Stay and impose sanctions appropriate to the contempt.

Respectivity submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S. Mail this 10th day of November, 1993 to the following persons:

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Attorne

APPENDIX

- A. Comparison of approved uniform base facility and gallonage rates with stand alone rates
- B. PSC Order No. PSC-93-1598-FOF-WS, dated November 2, 1993
- C. PSC Order No. PSC-93-1422-FOF-WS, dated September 30, 1993
- D. PSC staff letter dated September 15, 1993
- E. Southern States' "Notice of Final Rates"

APPENDIX A

Southern States Utilities, Inc.

SORTED BY % OF SUBSIDIZATION

WATER

Water System				Revenuo Requ	ntemont		Pre Ra	sent tos	Alterna State Ra	te One bwide tes	Star	nd-Alemana Ratos
	Avg Number Customers	County	System Revenue Requirement	Statowide Rates (Over) Under	System Revenue Requirement Statewide	% OF Contri- bution to Subsidy	Base Facility Charge	Gallonago Chargo	Base Facility Charge	Gallenage Charge	Base Facility Charge	Gallonage Charge
Spring Hill Utilities	22087	Hernando	\$3,749,228	(\$1,164,814)	\$4,914,042	47.26%	\$2.75	\$0.74	\$5.00	\$1.19	\$3,88	\$0.89
Doltona Utilitles	21416	Volusia	\$4,203,631	(\$488,555)	\$4,692,186	19.82%	\$3.18	\$0.95	\$5.00	\$1.19	\$4.03	\$1.11
Sugar Mill Woods	1769	Citrus	\$416,542	* (\$243,967)	\$660,509	9.90%	\$2.00	\$0.58	\$5.00	\$1.19	\$2.57	\$0.84
Silver Lake Est. Wostern Shores	935/278	Lake	\$203,782	(\$201.768)	\$405,550	8.19%	\$3.22	\$0.57	\$5.00	\$1.19	\$3.51	\$0.52
Beacon Hills	2529	Duyal	\$519,413	(\$155.178)	\$674,591	6.30%	\$5.03	\$0.65	\$5.00	\$1.19	\$5.04	\$0.82
University Shores	2752	Orange	\$543,984	(\$65,532)	\$609,517	2.66%	\$5.62	\$1.30	\$5.00	\$1.19	\$4.44	\$1.06
Amolia Island	1006	Nassau :	\$395,627	(\$56,940)	\$452,567	2.31%	\$9.26	\$0.97	\$5,00	\$1.19	\$4.72	\$1.00
Apple Valley	894	Seminole	\$163,064	(\$44,935)	\$207,999	1.82%	\$5.39	\$1.00	\$5.00	\$1.19	\$4.34	\$0.88
Woodmere	1043	Duval	\$265,498	(\$41,179)	\$306,677	1.67%	\$5.03	\$0.65	\$5.00	\$1.19	\$4.75	\$0.99
Loitant Heights		Martin	\$81,784	(\$1,618)	\$83,402	0.07%	\$4.77	\$0.76	\$5.00	\$1.19	\$5.30	\$1.13
Forn Torrace	123	Lake	\$21,523	\$75	\$21,449	-0.00%	\$5.88	\$1.48	\$5.00	\$1.19	\$4.45	\$1.27
Lake Harriot Estates	285	Sominole	\$54,033	\$507	\$53,526	-0.02%	\$5.39	\$1.00	\$5.00	\$1.19	\$4.91	\$1.22
Picciola Island	131	Lake	\$25,660	\$2,963	\$22,697	-0.12%	\$5.88	\$1.48	\$5.00	\$1.19	\$5.01	\$1.44
Fishurman's Haven	1 (6.3)	Martin	\$23,278	\$3,471	\$19,807	-0.14%	\$4.12	\$0.76	\$5.00	\$1.19	\$4.43	\$1.66
Carlion Village	103	l.ako	\$21,185	\$3,64B	\$17,537	-0.15%	\$5.88	\$1.48	\$5.00	\$1,19	\$5.18	\$1.59
Friendly Center	20	Lako	\$6,631	\$3,709	\$2,922	-0.15%	\$5.88	\$1.48	\$5.00	\$1.19	\$9.48	\$2.90
Sanilra Villas	11000	Marlon	\$5,868	\$3,718	\$2,150	-0.15%	\$4.64	\$1.03	\$5.00	\$1,19	\$12.04	\$3.47
Stone Mountain	6	Lako	\$6,379	\$4,469	\$1,910	-0.18%	\$5.88	.\$1.48	\$5.00	\$1.19	\$14.97	\$4.13
Palms Mobile Home Park	61	Lako	\$11,048	\$4,766	\$6,282	-0.19%	\$5.88	\$1.48	\$ 5.00	\$1.19	\$9.48	\$1.90
Morodith Manor	662	Seminole	\$141,281	\$4,927	\$136,354	-0.20%	\$5.39	\$1.00	\$5.00	\$1.19	\$4.73	\$1.29
Wootens		Pulnam	\$6,937	\$5,361	\$1,576	-0.22%	\$5.59	\$2,59	\$5,00	\$1.19	\$17.51	\$7.93
Lake Brantley	66	Seminole	\$19,128	\$6,181	\$12,947	-0.25%	\$5.39	\$1.00	\$5.00	\$1.19	\$7.46	\$1.79
Skycrest	115	Lako	\$20,479	\$6,666	\$13,813	-0.27%	\$5.88	\$1.48	\$5.00	\$1.19	\$7.33	\$1.84
Morningview	34	Lake	\$13,773	\$6,729	\$7,044	-0.27%	\$5.88	\$1.48	\$5.00	\$1.19	\$7.93	\$2.64
Quall Ridge	7.7	Lako	\$9,368	\$6,841	\$2,527	-0.28%	\$5.88	\$1,48	\$5.00	\$1,19	\$13.11	\$5.57
Clirus Park	0.0000000000000000000000000000000000000	Marion	\$61,566	\$7,102	\$54,464	-0.29%	\$6.65	\$0.96	\$5.00	\$1.19	\$4.35	\$1.59
Venellan Village	131	Lako	\$25,481	\$7,355	\$18,126	-0.30%	\$5.88	\$1.48	\$ 5,Q0	\$1.19	\$6.77	\$1,74
Lakeview Villas	1 12	Clay	\$8,662	\$7,374	\$1,288	-0.30%	\$2.93	\$0.83	\$5.00	\$1.19	\$35.00	\$8.54
Harmony Homos	64	Seminole	\$21,916	\$7,389	\$14,527	-0.30%	\$5.39	\$1.00	\$5.00	\$1.19	\$8.71	\$1,75
Westmont		Orange	\$29,262	\$7,481	\$21,781	-0.30%	\$9.15	\$1.82	\$5.00	\$1.19	\$6.19	\$1.69
Holiday Holohts		Orange	\$18,287	\$7,667	\$10,620	-0.31%	\$7.89	\$1.29	\$5.00	\$1.19	\$9,12	\$2.03
Daetwyler Shores		Orange	\$33,498	\$7,873	\$25,625	-0.32%	\$4.09	\$1.04	\$5.00	\$1.19	\$6.42	\$1.58
Kingswood		Brovard	\$16,693	\$8,102	\$8,591	-0.33%	\$5.47	\$2.55	\$5:00	\$1.19	\$8,77	\$2.73
Dol Ray Manor		Seminole	\$24,792	\$8,102	\$16,690	-0.33%	\$5.39	\$1.00	\$5.00	\$1.19	\$11.26	\$1.53
Palm Port	91	Pulnam	\$19,386	\$8,517	\$10,869	-0.35%	\$5.59	\$2.53	\$5.00	\$1.19	\$7,97	\$2.4B

^{*} Prosont Hates Include Minimum Gallonage

SORTED BY % OF SUBSIDIZATION

Southern States Utilities, Inc.

WATER

Water System			Revenue Requirement				Pre Ra:	sent les	Altoma State Ra	wida	Star	nd-Al on Rates
	Avg Number Customers	County	System Revenue Roquirement	Statewide Rates (Over) Under	System Revenue Requirement Statewide	% OF Contrl- bution to Subsidy	Base Facility Charge	Gallonage Charge	Base Facility Charge	Gallonage Charge	Charge	Gallonaga Charga
Forn Park	184	Seminole	\$38,760	\$8,547	\$30,213	-0.35%	\$5,39	\$ 1.00	\$5.00	\$1.19	\$5.31	\$1.71
Hobby Hills	102	Lake	\$22,672	\$8,851	\$13,821	-0.36%	\$5,88	\$1.48	\$5.00	\$1,19	\$5 62	
Piney Woods	168	Lake	\$39,577	\$8,867	\$30,710	-0.36%	\$5.88	\$1.48	\$5.00	\$1.19	\$6.16	\$1.58
Imperial Mobile Terrace	245	Lake	\$42,705	\$8,974	\$33,731	-0.36%	\$2.98	\$ 0,55	\$ 5.00	\$ 1.19	\$5,67	\$1.63
Lake Conway Park	85	Orange	\$24,369	\$9,054	\$15,315	-0.37%	\$4.09	\$1.04	\$5.00	\$1.19	\$7.56	\$1.96
Gospel Island Estates	8.	Citrus	\$10,417	\$9,215	\$1.202	-0.37%		\$1.00	\$5.00	\$1,19	\$38,98	\$11.46
Oak Forest	138	Citrus	\$33,547	\$9,530	\$24,017	-0.39%	\$4.78	\$0.85	\$5.00	\$1.19	\$6.23	\$1.77
St. John's Highlands	79	Putnam	\$18,608	\$9,832	\$8,776	-0.40%	\$5.59	\$1.41	\$5.00	\$1.19	* \$8.76	\$3.17
East Lake Harris Estates	170	Lake	\$27,001	\$10,255	\$16,746	-0.42%	\$5.88	\$1.48	\$ 5.00	\$1.19	\$7.49	\$2.18
Pomona Park	160	Pulnam	\$30,896	\$11.070	\$19,926	-0.45%	\$5.59	\$2.53	\$5.00	\$1.19	\$8.00	\$1,85
Druid Hills	252	Seminole	\$80,212	\$11,510	\$68,702	-0.47%	\$5.39	\$1.00	\$5.00	\$1.19	\$6.29	\$1.35
Grand Terrace	66	Lake:	\$22,063	\$11,949	\$10,114	-0.48%	\$8.62	\$1.18	\$5.00	\$1.19	\$8.42	\$3.22
Bay Lake Estates	65	Osceola	\$24,179	\$12,240	\$11,939	-0.50%	\$9.62	\$0.51	\$5.00	\$1.19	\$9.97	\$2.43
Golden Terrace	105	Cilius	\$24,822	\$12,277	\$12,545	-0.50%	\$8.97	\$2.53	\$5,00	\$1,19	\$8,49	\$2.88
Silver Lake Oaks	26	Putnam	\$15,855	\$12,353	\$3,502	-0.50%	\$5.18	\$2.35	\$5.00	\$1.19	\$15.70	\$8.90
Deecher's Point	36	Pulnam	\$23,033	\$13,136	\$9,897	-0.53%	\$6.65	\$1.49	\$5.00	\$1.19	\$7.79	\$3.64
Crystal River Highlands	67 	Citrus	\$23,269	\$13,707	\$9,562	-0.56%	\$3.05	\$0.64	\$5.00	\$1.19	\$9.25	\$3.48
Jungle Den	115	Volusia	\$26,575	\$15,766	\$10,809	-0.64%	1 \$10.88	\$3.16	\$5.00	\$1.19	\$11,50	\$3.50
Holiday Haven	110	Lake	\$28,615	\$16,228	\$12,387	-0.66%	\$11.14	\$3.20	\$5.00	\$1.19	\$9.69	\$3.55
Pine Ridge Estates	20 to 172:	Osceola	\$43,599	\$16,615	\$26,984	-0.67%	\$5.67	\$ 2.33	\$5.00	\$1.19	\$6:45	* \$2.22
Sunshine Parkway	1504 159 56 TOTAL	Lake	\$35,177	\$17,194	\$17,983	-0.70%	* \$4.59	\$0.91	\$ 5.00	\$1:19	\$8.37	\$2.39
River Grove	107	Pulnam	\$31,065	\$17,357	\$13,708	-0.70%	\$5.69	\$2,53	\$5.00	\$1,19	\$9,50	\$3.27
Pallsades Country Club	26	Lake	\$26,925	\$17,497	\$9,428	-0.71%	\$5.88	\$1.48	\$5.00	\$1.19	\$11.93	\$3.52
Windsong		Osceola	\$35,778	\$19,308	\$16,470	-0.78%	\$ 5.67	\$2.33	\$5.00	\$1.19	\$8.42	\$3.14
Apache Shores	160	Citrus	\$33,235	\$19,494	\$13,741	-0.79%	\$5.62	\$4.71	\$5.00	\$1.19	\$11.36	\$3.50
Oakwood (may as in the principle) in the large		Breyard	\$44,456	\$19,928	\$24,528	0.81%	\$ 5.47	\$2.55	\$5,00	\$1:10	\$8,58	\$2.40
Fountains	15	Osceola	\$23,120	\$20,281	\$2,839	-0.82%	\$5.67	\$2.33	\$5.00	\$1.19	\$40.70	\$10.81
Saratoga Harbour/Welaka		Putnam	\$36,757	\$22,727	\$14,030	-0.92%	\$5.59	\$2.53	\$5.00	\$1.19	\$12.00	\$3.68
Interlachen Lake Est./Park Manor		Putnam	\$51,970	\$23,021	\$28,949	-0.93%	\$5.59	\$1.41	\$5.00	\$1.19	\$8.74	\$2.26
Postmaster VIIIage	A STANDARD OF THE STANDARD	Clay, C	\$51,325	\$24,426	\$26,899	-0.99%	\$5.00	\$0.64	\$5,00	\$1,19	\$8.96	\$2,37
Leisure Lakes		Highlands	\$49,382	\$24,551	\$24,831	-1.00%	\$7.16	\$0.97	\$5.00	\$1.19	\$8.61	\$2.83
Point O' Woods	200 CO. 100 CO	Citrus	\$66,516	\$25,155	\$41,361	-1.02%	\$3,43	\$0.95	\$5.00	\$1,19	\$5.26	\$2,60
Lake Ajay Estates	and the second of the second	Osceola	\$33,362	\$25,658	\$7,704	-1.04%	\$5.37	\$2.20	\$5.00	\$1.19	\$21.51	\$5.40
Zophyr Shores		Pasco	\$86,179	\$25,751	\$60,428	-1.04%	\$5.90	\$0.87	\$5.00	\$1.19	\$9.02	\$2.29
Hurmits Cove	1/8	Pulnam	\$44,699	\$26,110	\$18,589	-1.06%	\$5.59	\$2.53	\$5.00	\$1.19	\$9.59	\$3.87

^{*} Present Rates Include Minimum Gallonage

Southern States Utilities, Inc.

728

SORTED BY % OF SUBSIDIZATION

WATER

Water System		·	Revenue Requirement Present Rales						Alterna State Rai	wide	vide l∵ Stand– ≻dd	
	Avg Number Customers	County	System Revenue Requirement	Statewide Rates (Over) Under	System Revenue Requirement Statewide	% OF Contri- bution to Subsidy	Base Facility Charge	Gallonage Charge	Base Facility Charge	Gallonage Charge	Base Facility Charge	Gallonag Charge
River Park	345	Pulnam 🔗	\$62,427	\$28,912	\$33,519	-1,17%	\$5.59	\$ 2.53	\$5.00	\$1,19	\$8.49	\$2.68
Pine Ridge Utilities		Citrus	. \$168,998	\$34,604	\$134,394	-1.40%	4 \$20.61	\$1.27	\$5.00	\$1.19	\$4.69	\$1.79
Rolling Green/Rosemont	76/31	Citrus	\$63,232	\$37,109	\$26,123	-1.51%	\$5.38	\$1.08	\$5.00	\$1,19	\$9.54	\$3.18
Tropical Park	551	Osceola	\$114,964	\$39,185	\$75,779	-1.59%	\$5.12	\$2.09	\$ 5.00	\$1.19	\$5.16	\$2.41
Keystone Helghts	981	Clay	\$250,462	\$55,041	\$195,421	-2,23%	\$5,50	\$1.26	\$5.00	\$1.19		\$1,68
Intercession City		Osceola	\$89,972	\$55,815	\$34,157	~2.26%	\$5.67	\$2.33	\$5.00	\$1.19	\$11.28	\$3.93
Fox Run	92	Martin	\$74,030	\$56,090	\$17,940	-2,28%	\$4,45	\$1.14	\$5.00	\$1,19	\$21.16	\$ 5,12
Sugar Milt	584	Volusia	\$143,190	\$73,847	\$69,343	-3.00%	\$6.89	\$4.10	\$5.00	\$1.19	\$8.76	\$2.99
Sunny Hills Utilities	393	Washington	\$155,743	\$82,844	\$72,899	-3.36%		\$ 1.37	\$5.00	\$1.19	\$8,49	\$3.10
Salt Springs	99	Marion	\$101,464	\$85,047	\$16,417	-3.45%	\$6.65	\$0.96	\$5.00	\$1.19	\$27.49	\$8.64
Chuluota	634	Seminole	\$207,017	\$103,265	\$103,752	-4,19%		\$1.00	\$5.00	\$1319	\$8,06	\$2.76
Marco Shores Utilities	1 to 1 to 1	Collier	\$179,186	\$108,643	\$70,543	-4.41%	\$9.15	\$1.66	\$5.00	\$1.19	\$11.36	\$3.28
Burnt Store		Char/Lee	\$258,180	\$170,280	\$87,900	-6.91%	\$7.51	\$2.81	\$ 5.00	\$1.19	\$12,03	\$3 ,96
Citrus Springs Utilities		Cltrus	\$437,127	\$176,770	\$260,357	-7.17%	\$6.32	\$1.03	\$5.00	\$1.19	\$6.33	\$2.39
Palm Terrace		Pasco	\$358,559	Language of the Artificial Control of the Control o	\$157,791	-0/15%	\$3.25	\$ 3.07	\$ 5.00	\$1.19	\$8.48	\$3,37
Marion Oaks Utilities	1. A. A	Marion	\$724,667	\$417,325	\$307,342	-16.93%	\$5.10	\$1.63	\$ 5.00	\$1.19	\$9.52	\$3,39
Park Manor - Combined with Rosemont - Combined with			Interlachen Est		\$0		\$5,59	\$2.53	\$5.00	\$1,19	\$8.74	\$2,26
Welaka - Combined with		Citrus	- Saraloga Harbo	\$0 \$0	\$ 0	arcaeentiaeete -	\$5.31	\$1.06	\$5.00	\$1.19	\$9.54	\$3.18
Western Shores - Combined with	92	Lake	to a section of the s	198 consequence and a separate of			\$5,59	\$2.53	\$5,00	\$ 1,19	\$12.00	\$3.68
Western Sticks - Countried with	2/6	LANU	Silver Lake Est	\$0	\$0		\$5.88	\$1.48	\$5.00	\$1.19	\$3.51	\$0.52
TOTALS			\$15,828,705	(\$39,512)	\$15,868,217	1.60%						

DOCKET NO. 920199-WS FEBRUARY 3, 1993 SORTED BY ORDER OF SUBSIDIZATION

SOUTHERN STATES UTILITIES, INC.

SEWER

ORTED BY ORDER OF	JOPOGRA				SEWER					Alterna	ite One		
								Present		Stat	ewide ites	Sian F	d-Alc
Wastewater			Aevenu	e Requireme	nt		. 	Rates					0
System	_}			Statewide	Systom	% OF				Base	,	Base	
			System	Date:	ผมกดบเพิ	Contrl-	Base Facility	Gallonago	Gallonage	Facility	Gallonage	Facility	Gall Ch
	Average Number	1	Nevenue	(Ovar)	Produced By Statewide	bution to Subsidy	Charge	Charge	Cap	Charge	Charge	Charge \$9.35	W. 5
· ·	Customers	County	Requirement		\$2,052,362	45,36%	\$6.74	\$2.75	10M	\$12.01	\$3.41	\$6.90	3388
pring Hill Utilities	4608	Hernando	\$1,351,857	(\$700,505)	\$651,179	18.45%	\$8.06	\$2.21	6M	\$12.01	\$3.41	\$11.98	
lugar Mill Woods	1717	Citrus	/	★ (\$284,904)	\$926,840	12.91%	\$7.48	\$1,65	BM	\$12.01	\$3.41		
luacon Hills	2420	Duval	\$727,476	(\$199,364)	\$819,108	9.06%	\$18.59	\$1.55	10M	\$12.01	\$3.41	\$12.00	40480
tmella Island	914	Nassau	\$679,126	(\$139,982)		7.24%	\$7.26	\$2.36	10M	\$12.01	\$3.41	\$12.00	
Inlygisity Shores	2524	Orango	\$1,113,147	(\$111.786)	\$1,224,933	2.49%	\$ 5.69	-	Flat Rate	\$12.01	\$3.41	\$9.02	, vesta
	495	Pasco	\$93,645	(\$38,469)		1,92%	1.00	\$1.77	10M	\$12.01	\$3.41	\$12.00	
Cephyr Shores	669	Citrus	\$161,166	(\$29,686)	\$190,852	1.60%	\$7.85	\$1.22	10M	\$12.01	\$3.41	\$8.00	000
Clirus Springs Utilities	228	Highlands	\$31,710	(\$24,748)	\$56,458	∴ 0.45%	d	\$3.58	104	\$12,01	\$3.41	\$12.00	
eisure Lakes	145	Seminole	\$52,533	(\$6,938)	\$59,471	0.43%	A CALL TO CALL STREET	\$1.59	All G/S	\$12.01	\$3.41	\$12.00	ļ ,.
Apple Valley	1,7,37	Lake	\$39,361	(\$4,260)		0.25%	4	\$3.04	10M Sa.	\$12.01	\$3.41	\$12,00	32.
Surishino Parkway	575	Volusia	\$160,815	(\$3,848)	\$164,663	-0.13%	The same are the same at the same at	\$3.58	10M	\$12.01	\$3.41	\$12.00	
Sugar MIII	27	Seminole	\$11,963	\$2,036	\$9,927		£	\$1.47	7M	\$12.01	\$3.41	\$12.00	
Merodith Manor	143	Martin	\$46,032	\$2.857	\$43,175	-0.16%	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	\$3.94	8M	\$12.01	\$3,41	\$12.00	Ì
ishorman's Havon	90	Putnam	\$30,911	\$5,515	\$25,396	-0.36%	A	\$0.77		\$12.01	\$3,41	\$12.00	
Palm Port	1016	1	\$298,626	\$8,134	\$290,492	-0.53%	of the same of the	\$ 3.94	BM.	\$12.01	\$3.41	\$18.50	1
Palm Terrace	25	Pulnam	\$17,908	\$8,878	\$9,030	-0.57%	2 to 1 to 1 to 2 to 2 to 2 to 2 to 2 to	\$4,73	I	\$12.01	\$3.41	\$15.00	
Park Manor	112		\$30,729	\$8,893	\$21,836	0.589	A transfer of the second con-	\$3.77	8M	\$12.01	\$3.41	\$25.00	
Apache Shores	25	Pulnam	\$16,294	\$9,435	\$6,859	-0.61%	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	 a contract and the second and the seco		\$12.01	\$3.41	\$12.00	
Silver Lake Oaks	82		\$38,684	\$12,015	\$26,669	-0.78%		\$2.22	10M	\$12.01	\$3.41	\$30.01	1
Venetian Village	15	100000000000000000000000000000000000000	\$20,339	\$12,211	\$8,128	-0.79%		\$2.26		\$12.01	 In the second of the second of the second 	\$12.00	
Beecher's Point	97		\$70,059	\$12,593	\$57,466	-0.829		1	Flat Rale	\$12.01	\$3.41	\$12.00	
Salt Springs	93		\$38,167	\$12,713	\$25,454	-0.82%	\$12.14	Jacobs (Wasaw	and the second s	\$12.01		\$12,00	
Holiday Haven	386		\$158,343	\$15,046	\$143,297	-0.979			Flat Rate	\$12.01		\$12.00	
Lollant Heights	90		\$47,327	\$15,623		-1.019	・ 「ストリント・マント・マー・マートを見せる」	 E. Britanskinsky, A. 1995, P. 		\$12,01	and the second second second second	\$27,50	
Fox Run	1	 I see the second of the second	\$28,394	\$16,257	\$12,137	-1,05°				\$12.01	Also recommendates a seconda com	\$18.00	
Morningview	35	to be a factor of a con-	\$56,851	\$25,668		-1.669		or the second of the second of the second	Flat Rate		 Compared to the second control of the second control	\$11.98	
Point O' Woods	103		4 14 14 15 15 15 15 15 15 15 15 15 15 15 15 15			-2.179				\$12.01	\$3.41	\$12.00	
Burnt Store		Sominole	\$109,105		 Control of the control of the control	-2.819		The section of the se		\$12.01	an di ang kabupatèn	\$12.00	
Florida Cuntal Comme	ice Park	Collier	\$130,467			-2.959	\$24.26 ي		Flat Hate	\$12.01	en a different constant in a constant of	\$12.00	
Marco Shoros Utilities		1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1	\$704,262	William to compress the first of	1 - condept in production was accounted.					\$12.01	Tank and a contract of the latest of	\$20.00	1
Woodmere	1010		I .		au 🕽 in the entre of the state (1912).				Flat Hato			\$44.99	
Sunny Hills Utilities	17		\$96,297		**	-4.55°			Flat Flate	\$12.01		\$35.00	
Jungle Den	115		\$116,449	八郎 かいしょう 出 しょようさん			\$12.23	\$2.71	All G/S		100 100 100 100 100 100 100 100 100 100		
South Forty		Marion	\$182,172			-6.70		\$2.26	BM BM	\$12.01	Or LOUDSHOP VAN YORKS	 Local Service Services 	
Citrus Park	1 25	Marion	1	and the second second second	or I was a contract of all	المتحار ومعارضها والمراجع أأحا	and the second of the second	\$3.58		\$12.01			
Chuluota		2 Seminole	\$592.821	1 Control of the Cont	11. Code Sept.	A CONTRACTOR OF STREET		\$3.60	 A to the property of the Control 	\$12.01		\$12.00	
Marion Oaks Utilities		1 Marion	\$2,036,642	The second section of the second section is	the same appropriate the same	A SECURITY OF SECURITY)	Flat Rate	\$12.01	\$3,41	\$12.00	<u> </u>
oliona Utilities	374 1 1 5 3 4 4 2 7	3 Volusia	- \$2,030,044	3731,33	্ জুকার প্রত্যার জন	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				1			-
-			\$10,179,469	(\$8.70)	3) \$10,188,172	0.56	%			<u> </u>	J		Щ.
TOTALS			\$10,170,400	(4-21, 2,									

APPENDIX B

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NOV () 4 1993

ORDER NO. PSC-93-1598-FOF-WS DOCKET NO. 920199-WS PAGE 2

In Re: Application for rate increase in Breward, Charlotte/Lee, Citrus, Clay, Duval, Highlands, Lake, Marion, Martin, Nassau, Orange, Osceola, Pasco, Putnam, Seminole, Volusia, and Washington Counties by Southern States Utilities, Inc.; Collier County by March Shores Utilities (Deltona); Hernando County by Spring Hill Jtilities (Deltona); and Volusia (County by Deltona Lakes Utilities (Deltona).

DOCKET NO. 920199-WS
ORDER NO. PSC-93-1598-FOF-WS
ISSUED: November 2, 1993 OFFICE OF ATTORNEY CANSBAL
SPECIAL PROJECTS DIVISION on July 6, 1993, SSU filed a Motion to Strike that motion as

for Reconsideration which SSU moved to strike by motion filed on July 14, 1993. All of the above-described motions for reconsideration and intervention and all other requests for review by non-parties are the subject of this Order.

untimely. Also, on July 8, 1993 COVA filed a Supplemental Motion

This Order also addresses Commissioner Clark's August 17, 1993, motion for reconsideration of the calculation of the interim refund in the Final Order. Commissioner Clark's motion was heard at the September 28, 1993 Agenda Conference.

PETITIONS FOR INTERVENTION AND RECONSIDERATION BY NON-PARTIES

After hearing and the time for filing for reconsideration had passed, the following entities or individuals requested either intervention in Docket No. 920199-WS, reconsideration of Order No. PSC-93-0423-FOF-WS, or both:

- Sugarmill Manor, Inc. filed a petition for intervention in Docket No. 920199-WS and reconsideration of Order No. PSC-93-0423-FOF-WS on April 14, 1993.
- By letter received April 7, 1993, Volusia County Council Member Richard McCoy requested reconsideration of Order No. PSC-93-0423-FOF-WS.
- By letter dated April 16, 1993, Volusia County Council Member at-Large Phil Giorno reiterated the position taken by Mr. McCoy.
- 4. By letter received May 21, 1993, Volusia County Council Member Patricia Northey expressed her support of fellow Council Member Richard McCoy's petitic for reconsideration of the rate increase granted to S.
- Hernando County Board of Commissioners' Resolution No. 93-62, dated May 17, 1993, and received May 20, 1993, requests that the PSC reconsider its position in Order No. PSC-93-0423-FOF-WS.
- 6. Florida State Senator Ginny Brown-Waite's petition for intervention in Docket No. 920199-WS and for reconsideration of Order No. PSC-93-C423-FOF-WS was filed on May 26, 1993. In her petition, Senator Brown-Waite

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman THOMAS M. BEARD SUSAN F. CLARK JULIA L. JCHNSON

ORDER ON RECONSIDERATION

BY THE COMMISSION:

BACKGROUND

Southern States Utilities, Inc., and Deltona Utilities, Inc. (hereinafter referred to as the utility or SSU) are collectively a class A water and wastewater utility operating in various counties in the State of Florida. By Order No. PSC-93-0423-FOF-WS (also referred to as the Final Order), issued on March 22, 1993, the Commission approved an increase in the utility's rates and charges which set rates based on a uniform statewide rate structure. On April 6, 1993, SSU, the Office of Public Counsel (OPC), Citrus County, and Cyprus and Oak Villages Association (COVA) timely filed Motions for Reconsideration of Order No. PSC-93-0423-FOF-WS. Also on that day, Sugarmill Manor filed a Petition for Intervention and Reconsideration of the Final Order. On April 13, 1993, OPC filed a Response to SSU's notion for reconsideration and SSU filed a Response to Sugarmill Manor's Petition for Intervention and Reconsideration. On April 14, 1993, SSU filed a Response to OPC's, COVA's, and Citrus County's Motions for Reconsideration. On June 28, 1993, COVA filed a Motion for Correction of Property Taxes and

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ORDER NO. PSC-93~1598-FOF-WS DOCKET NO. 920199-WS PAGE 3

states that she represents herself together with her fellow SSU customers.

- On May 28, 1993, Spring Hill Civic Association, Inc., filed a petition for intervention in Docket No. 920199-WS and for reconsideration of Order No. PSC-93-0423-FOF-WS.
- On Jun. 10, 1993, Cypress Village Property Owners Association (Cypress Village) filed a petition for intervention in Docket No. 920199-WS and reconsideration of Order No. PSC-93-0423-FOF-WS.

In response to these petitions, SSU states that, pursuant to Rules 25-22.037, 25-22.039 and 25-22.056, Florida Administrative Code, the petitions are untimely and should be denied. We agree, first, in regard to intervention, Rule 25-22.039, Florida Administrative Code, provides that a petition to intervene must be filed at least five days before final hearing. Sugarmill Manor, Inc., Senator Brown-Waite, Spring Hill Civic Association, Inc., Cypress Village Property Owners Association, Hernando County Board of County Commissioners, and Volusia County Council Members Phil Giorno, Richard McCoy and Patricia Northey filed their petitions for intervention five months or more after the final hearing. Pursuant to Rule 25-22.039, the petitions were not timely. Therefore, we find the petitioners' requests for intervention to be untimely. Accordingly, the requests for intervention are hereby denied.

As to the petitions for reconsideration, we find that the applicable rules do not afford non-parties leave to file post-hearing pleadings. Further, even if the petitions had been filed by parties, they were not filed within the 15 day period required by Rule 25-22.060(3)(a), Florida Administrative Code. Therefore, the petitions for reconsideration filed by the above-referenced individuals are hereby denied as untimely. We note, however, that all of the issues raised by the petitioners have been addressed in the body of this Order, as they were raised by parties in timely filed petitions for reconsideration.

On April 2, 1993, OPC filed a Motion for Waiver of Rule 25-22.060(3)(a), Florida Administrative Code, requesting additional time to file its motion for reconsideration. On April 5, 1993, SSU filed a response in opposition to OPC's motion. However, OPC subsequently timely filed its motion for reconsideration on April

6, 1993. Therefore, we find OPC's motion for waiver of Rule 25-22.060 (3)(a) to be moot.

UNIFORM, STATEWIDE RATES

COVA and Citrus County filed timely motions for reconsideration requesting reconsideration of the uniform, statewide rates established in Order No. PSC-93-0423-FOF-WS, and raising many of the same points in their motions. Therefore, for purposes of this Order the arguments of the two motions have been combined.

The standard for determining whether reconsideration is appropriate is set forth in <u>Blamond Cab Company of Miami v. King.</u> 146 So.2d 089 (Fla. 1962). In <u>Plamond Cab</u>, the Court held that the purpose for a petition for reconsideration is to bring to an Agency's attention a point which was overlooked or which the agency failed to consider when it rendered its order. In <u>Stewart Bonded Karehouses v. Bevis</u>, 294 So.2d 315 (Fla. 1974), the Court held that a petition for reconsideration should be based upon specific factual matters set forth in the record and susceptible to review. We have relied on the standard set forth in the above-referenced cases in reaching our decisions herein.

Notice |

As the first point on reconsideration of uniform statewide rates, COVA and Citrus County argue that the customers of SSU were deprived of due process in this proceeding because they did not receive fair or adequate notice that uniform statewide rates would be considered. Citrus County argues that failure to provide adequate notice violates the provisions of Chapter 120, Florida Statutes, which contemplate reasonable notice and an opportunity to be heard. As further basis for reconsideration, both COVA and Citrus County allege that the utility did not request uniform rates, therefore the customers were not given notice of uniform rates from the utility's filing for rate relief. In addition, Citrus County alleges that the Public Service Commission (PSC) customer service hearings did not alert customers of the possibility of uniform rates. Both parties allege that information in the PSC press release was misleading. They further argue that no party to this case, other than PSC staff, advocated uniform rates and that staff did not give notice that it would advocate

uniform rates at the hearing. In addition, COVA argues that it received the recommendation with rate schedules showing the impact of uniform rates only after the hearing was complete and briefs had been filed.

in its response to these arguments, SSU argues that Issue 92 of the Prehearing Order puts the parties on notice that statewide rates would be considered; that COVA took a position in favor of stand-alone rates in the Prehearing Order; that Citrus County failed to participate in the Prehearing conference; that COVA presented direct testimony in opposition to uniform rates; that both parties seeking reconsideration cross-examined witnesses on the Issue of statewide rates: that during the hearing. Citrus County raised for the first time, the issue of the Commission's authority to implement uniform rates; and that the issue of statewide rates was addressed in both parties' posthearing briefs. SSU further argues that it is irrelevant that the utility did not request uniform rates in the MFRs because rate design is at issue in a rate proceeding, just as rate base or expenses are. In addition, SSU states that the customer notices complied with Commission rules and were not raised as an issue at the hearing or in the parties' briefs.

We find that adequate notice was provided to all parties. The MFRs and the notice to customers contained schedules which indicated that the utility was requesting a change in rate design by requesting a rate structure with a maximum bill for customers at a 10,000 gallon level of consumption. This request was a departure from the previously approved rate structure. This request also contained the element of sharing costs between systems.

In response to Citrus County's allegation that the customer hearings failed to alert the customers to the possibility of iniform statewide rates, it is important to note that the primary purpose of the customer hearings is to determine the quality of service provided by a utility and to hear other testimony of customers. The record of the ten customer hearings held in this docket contains testimony of numerous customers concerned that the rate increase requested by the utility was too high. This compelling concern of the customers was reflected on page 95 of the Order where we weighed the impact of stand-alone rates against uniform, statewide rates and determined that, "the wide disparity of rates calculated on a stand alone basis, coupled with the ... benefits of uniform, statewide rates, outweighs the benefits of the traditional approach of setting rates on a stand-alone basis."

OPDER NO. PSC-93-1598-FOF-WS COCKET NO. 920199-WS PAGE 6

Thus, it was the concerns raised by customers at the customer hearings that was part of the driving force behind our decision to approve uniform, statewide rates.

In the <u>City of Plant City v. Mayo</u>, 337 So.2d 966 (Pla. 1976), the Florida Supreme Court addressed the issue of adequate notice and found as follows:

While we are inclined to view the notice given to customers in this case as inadequate for actual notice of the precise adjustment made, we must agree with the Commission that more precision is probably not possible and in any event not required. To do so would either confine the Commission unreasonably in approving rate changes, or require a prehearing proceeding to tailor the notice to the matters which would later be developed. We conclude, therefore, that the Commission's standard form of notice for rate hearing imparts sufficient information for interested persons to avail themselves of participation.

Id. at 971

We find that in the instant case as in all rate case proceedings, rate structure or rate design is and always has been an open issue. In addition, we find that the customer notices were sufficient for interested parties to avail themselves of participation.

We find that press releases are not designed to inform the public of all possible outcomes of a proceeding. Press releases are not part of the Chapter 120, Florida Statutes, process and do not serve as formal notice of agency proceedings. Although COVA's witness testified that COVA intended to show that the newspapers were provided inaccurate information concerning the rate increase, we find that no evidence was presented on this matter.

Further, in the Section 120.57, Florida Statutes, hearing process, the issue of statewide rates was clearly put before the public in Order No. PSC-92-1265-PHO-WS, issued November 4, 1992, the Prehearing Order in this Docket. Issue 92 of that Order states: "Should SSU's final rates be uniform within counties,

regions, or statewide?" In that Order, COVA took the following position on Issue 92:

COVA firmly believes that the best way to establish rates is on a stand-alone basis. It is not realistic to combine all systems regardless of their historical evolvement. Even SSU states that CIAC is only relevant to Sugar Mill Woods and Burnt Store, both part of the Twin County Utilities Acquisition. Yet all prepaid CIAC is lumped into one account penalizing all those SMW customers who have invested and are still investing more than \$2000 each in their utility.

order No. PSC-92-1265-PHO-WS, p. 60

COVA presented no witness on this issue. SSU took the following position on Issue 92:

If uniform rates are to be established, the benefits of such a rate structure could best : be achieved only on a statewide basis. Neither County geographical boundaries nor the utility's own "regional" boundaries would recognize the factors previously identified as being critical to a proper uniform rate structure. The statewide rates could be developed using one of three proposed methods: (1) a method similar to the "rate caps" proposed by the utility in this proceeding; (2) cost of service and other pertinent factors would be considered together; and (3) the utility's preferred method, a statewide rate for standard and advanced treatment processes.

Utility witness Ludsen was listed as a witness for this issue yet citrus County never asked a question of him on this issue during cross-examination. Staff took no position on this issue pending further development of the record. However, it should be noted that Issue 92 was an issue raised by staff in its Prehearing Statement. Further, staff offered the expert testimony of John Williams who provided his opinion on this issue. Citrus County did not intervene in this proceeding prior to the due date of

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Prehearing Statements; it took no position at the Prehearing Conference; and it provided the Commission with no expert testimony on this issue.

At hearing, COVA inquired of Mr. Ludsen concerning uniform rates but did not inquire about the position taken by the utility in Issue 92. COVA's own pre-filed testimony did not address uniform rates but did address COVA's opposition to SSU's proposed nate structure. At the hearing, Citrus County addressed questions concerning uniform statewide rates to staff's witness Williams.

We find that the substance of COVA's and Citrus County's argument against uniform rates is substantially the same as their argument against the utility's initial proposal. Put most fundamentally, their position is that anything other than a stand alone basis for setting rates is unfair to the COVA and Citrus County residents who are customers of SSU. Many of the same arguments made against the utility's proposal apply to the imposition of statewide rates. We find that all of these arguments were addressed in Order No. PSC-93-0423-FOF-WS.

In the posthearing briefs, Citrus County argued that the Commission was without jurisdiction to implement uniform rates. (BR pp. 2-5) We find that this argument, which forms the bulk of the County's six page brief, established that the County was in fact on notice that uniform rates were truly at issue in this proceeding.

In summary, we find that there was adequate notice of uniform rates where it was an issue set forth in the prehearing order, where there was an opportunity to present testimony and cross-examine witnesses on this issue, and where there was an opportunity to address this issue in the posthearing briefs. It is no error on the Commission's part that these parties failed to fully explore the issue of uniform rates. We find that the parties have failed to show any mistake of fact, law or policy related to notice.

Based on the foregoing, we find it appropriate to deny that portion of COVA's and Citrus County's Motions for Reconsideration of uniform, statewide rates concerning inadequate notice.

Jurisdiction

COVA's motion for reconsideration questions our authority to set uniform, statewide rates. This issue was fully addressed on

page 93 of Order No. PSC-93-0423-FOF-WS and is not properly raised in COVA's motion for reconsideration. As part of its argument that the PSC is without authority to set uniform, statewide rates in this proceeding, Citrus County argues certain matters which are outside the record (that staff coerced SSU to undertake "certain expensive projects" to enable the utility to acquire small water and wastewater systems), matters previously raised and addressed in he Order and matters argued in its brief (that uniform rates are in illegal tax). We find that these are not appropriate points for reconsideration. The parties have failed to show any error on the part of the Commission regarding exercise of its jurisdiction. Accordingly, we find it appropriate to deny that portion of Cova and Citrus County's motions for reconsideration concerning jurisdiction.

Free Wheeling Policy Making

Both COVA and Citrus County characterize our decision to approve uniform, statewide rates as "free wheeling policy making." COVA bases its argument on a prior Commission decision set forth in Order No. 21202, issued May 8, 1989, which directed staff to initiate rulemaking on uniform rates. We note that Order No. 21202 also states:

We believe there is merit to the concept of statewide uniform rates. Cost savings due to a reduction in accounting, data processing and rate case expense can be passed on to the ratepayers.

Order No. 21202 at 186

Order No. 21202 was the culmination of a docket opened by the Commission to investigate possible alternatives to existing rate-etting procedures for water and wastewater utilities. A broad range of issues and changes recommended by the docket have been implemented through statutory revisions or rulemaking. Although no rule has been developed regarding the requirements for implementing uniform rates, there has been insufficient data on which to base such a rule, and there has not been a pressing need to go forward with a rule on uniform rates that would have a general, industrywide application.

We find that the decision in this case to implement uniform statewide rates is consistent with McDonald v. Dept. of Banking and

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Finance, 346 So.2d 569 (1st DCA 1977), which states in pertinent part:

While the Florida APA thus requires rulemaking for policy statements of general applicability, it also recognizes the inevitability and desirability of refining incipient agency policy through adjudication of individual cases. There are quantitative limits to the detail of policy that can effectively be promulgated as rules, or assimilated; and even the agency that knows its policy may wisely sharpen its purposes through adjudication before casting rules.

<u>Id.</u> at 581

The agency's Final Order in 120.57 proceedings must describe its "policy within the agency's exercise of delegated discretion" sufficiently for judicial review. Section 120.68(7). By requiring agency explanation of any deviation from "an agency rule, an officially stated policy, or a prior agency practice," Section 120.68(12)(b) recognizes there may be "officially stated agency policy" otherwise than in "an agency rule"; and, since all agency action tends under the APA to become either a rule or an order, such other "officially stated agency policy" is necessarily recorded in agency orders.

<u>Id.</u> at 582

We find that we have explained our decision in this case sufficiently for judicial review. We further find that by setting uniform, statewide rates for this utility, we have not unlawfully established a rule or policy for developing uniform rates for all water and wastewater utilities. We have determined, based on the record before us in this docket, that in this rate proceeding uniform, statewide rates are appropriate.

Based on the foregoing, we find that we have properly acted within our discretion in approving statewide rates and that no basis for reconsideration has been shown by the parties.

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Record Evidence

Citrus County and COVA both assert that the record does not support our findings in Order No. PSC-93-0423-FOF-WS. Specifically, Citrus County alleges that staff witness Williams' testimony concerning statewide rates putting water and wastewater utilities on par with electric and telephone cases is "false"; that his testimony concerning rate stability is "only remotely true"; and that a conclusion that statewide rates recognize economies of cale is "obviously false." Citrus County also asserts that vitness Williams' testimony that uniform rates would be more simply derived, easily understood and economically implemented is irrelevant, self serving and "legally unacceptable." COVA also asserts that our findings on the benefits of statewide rates are not supported by the record and are self-serving. In addition, COVA states that there is no evidence to support our conclusion that no customers would be harmed by the imposition of uniform rates.

SSU's response states that the Commission relied on competent and substantial evidence in reaching its decision and that the parties are merely expressing their disagreement with the Commission's decision.

To the extent the parties seek to have this Commission reweigh the evidence or receive new evidence, their argument is not appropriate for reconsideration. The parties did not refute staff witness Williams' testimony at hearing using the arguments now raised on reconsideration. For example, Citrus County argues that it is wrong to compare non-interconnected water and wastewater plants to fully interconnected electric and telephone companies. Bad the testimony of witness Williams been properly challenged during the hearing on cross-examination, Citrus County's allegations could have been addressed in the Final Order. The county is apparently unaware of previous Commission decisions that hysical interconnection of water and wastewater plants is not required for rate setting. See Orders Nos. 22794, issued April 10, 1990; 23111, issued June 25, 1990; and 23834, issued December 4, 1990.

We find that the findings and conclusions of the Final Order are supported by competent and substantial evidence. We also find that the parties have failed to show that we overlooked or failed to consider any evidence with regard to witness Williams' ORDER NO. PSC-93-1598-FOF-WS DOCKET NO. 920199-WS PAGE 12

testimony. Based on the foregoing, the motions to reconsider, as they relate to the sufficiency of the evidence, are hereby denied.

<u>Unfair Rates</u>

COVA alleges in its motion that the rates set by the Final Order are unfair, unreasonable and discriminatory because the uniform statewide rates are significantly higher than stand-alone rates for the customers of Sugarmill Woods. In the Final Order, we explain that in determining the appropriate rates, we compared the uniform rates against stand-alone rates. The Final Order states that, of the one hundred twenty seven systems, only seven would have had lower water and wastewater rates on a stand-alone basis. In the Order's conclusory paragraph at page 95 the Commission found as follows:

Based on that comparison, we find that the wide disparity of rates calculated on a stand-alone basis, coupled with the above cited benefits of uniform, statewide rates, outweigh the benefits of the traditional approach of setting rates on a stand-alone basis.

Order No. PSC-93-0423-FOF-WS, p. 95

In <u>Utilities Operating Co. v. Mayo</u>, 264 So.2d 321 (Fla. 1967), the Supreme Court determined that what is fair and reasonable is a conclusion to be formed by the regulatory body on the basis of the facts presented. That is what we have done by comparing the benefits of statewide rates against those of stand-alone rates and by measuring the impact of those rates across the entire customer base of SSU. The rates set forth in the Final Order are neither arbitrary nor unreasonable. Based on the foregoing, we find it appropriate to deny this portion of COVA's motion for reconsideration based on COVA's failure to show any error in fact, law, or policy or to show any point which the Commission overlooked or failed to consider.

Additional Arguments

COVA also argues that Order No. PSC-93-0423-FOF-WS impairs contracts, denies effective representation, and allows disincentives to efficiency. These new arguments are all arguments against the implementation of uniform rates which could have and should have been raised during the hearing process. Therefore, we find that COVA's petition on these issues does not raise any point that we overlooked or failed to consider. Accordingly, we find it

appropriate to deny that policy on of COVA's motion raising the issues of impairment of contracts, denial of effective representation and disincentives to efficiency.

Conclusion

Based on the foregoing, both COVA's and Citrus County's Motions for Reconsideration are denied.

OPERS

In its motion for reconsideration, the utility argues that the Commission erred in adjusting the utility's Financial Accounting standard (FAS) 106 costs to reflect costs associated with an "other past-retirement benefits" (OPEBs) plan referred to as Proposed Plan 2. The utility argues that our decision to base OPEB costs on the lowest cost plan proposal rather than on the utility's "substantive" plan is inconsistent with Commission policy. In its response to this motion, OPC argues that the utility is merely rearguing its case and impermissibly seeking to bolster its case with evidence from another docket. Each issue Taised by the utility is discussed separately below.

The first issue raised by SSU is that the Final Order mischaracterized witness Gangnon's testimony about the OPEB plan. We find that the record supports a finding that witness Gangnon's testimony was contradictory in that he acknowledged that SSU was considering several plans in its actuarial study as a way to reduce OPEB costs (EX 38, p 36), while also stating that, "there are no present plans to reduce either the kinds or level of postretirement benefits now or in the future." (TR 452)

The second issue of SSU's Motion is a request by the utility that the Commission take official recognition of certain rebuttal testimony and exhibits which were filed in the record in Locket No. 920655-WS. As grounds for this request, the utility relies on our decision in Order No. 20489, issued December 21, 1988 (Docket No. 871394-TP - Review of the Requirements Appropriate for Alternative Operator Services and Public Telephones).

We find that Order No. 20489 merely demonstrates that the Commission took official recognition of a federal court decision entered into after the final hearing in the docket, but <u>prior</u> to the Commission's final decision. Here the utility is requesting that we take official recognition of testimony from another docket

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after we rendered our final decision in this docket. Further review of Order No. 20489 also shows that the Commission denied, as untimely, GTE's motion for official recognition of another order where the motion for official recognition was filed on the day of the Special Agenda Conference. SSU also cites as authority for its position, Sections 90.202 (6) and 120. 61, Florida Statutes. While these statutory provisions allow sworn testimony from the record of one case to be entered into the record of another case, none of these statutes provides that it is appropriate to supplement the record either posthearing or after entry of a Final Order. Therefore, we find it appropriate to deny as untimely the utility's request to supplement the record.

The third issue raised by SSU as basis for reconsideration of the FAS 106 cost adjustments is the reference in the Final Order to witness Gangnon's lack of knowledge concerning the OPEB plan. SSU's argument in this regard attempts to make a factual issue out of the Commission's discretion to give evidence whatever weight that it deserves. In this case, Mr. Gangnon's testimony was not given the weight the utility desired. We find that this is not an issue concerning a mistake in fact, law or policy.

The fourth issue raised by the utility is that there is no competent substantial evidence to support the Commission's conclusion that there is a trend to reduce FAS 106 costs and that, therefore, the OPEB Proposed Plan 2 is appropriate. Again the utility raises the issue of the competency of the evidence which is not an appropriate basis for reconsideration. We find that the utility has shown no mistake of fact, law or policy.

The fifth issue raised by SSU is that there is no competent substantial evidence supporting witness Montanaro's testimony that, "SSU may restructure its benefits plan to reduce costs in the future." Our decision was based on the evidence in the record which shows that SSU was considering various alternative plans that might reduce its OPEB expenses, as well as all the other evidence in the record that does not support the level of OPEB expenses SSU requested. Therefore, we find that this argument does not support reconsideration.

SSU's sixth argument for reconsideration of our FAS 106 adjustments is that use of FAS 106 requires reliance on the utility's substantive plan over any other plan. SSU asserts that our decision to base OPEB costs on the lowest cost plan proposal rather than the utility's "substantive" plan is inconsistent with

Commission policy. We disagree. Adjustments to OPEB plans have been made in several dockets. For example, in rate cases for both the United Telephone Company of Florida and the Florida Power Corporation, the Commission approved FAS 106 for ratemaking purposes. The Commission also made adjustments to the FAS 106 costs requested by the companies in those cases. (See Orders Nos. PSC-92-0708-FOF-TL, p. 36 and PSC-92-1197-FOF-EI, p. 11) We find that substituting Proposed Plan 2 for SSU's current OPEB plan is an appropriate regulatory adjustment given the probability that SSU ay reduce its OPEB costs in the future and the weaknesses and inconsistencies in SSU's case. We also note that, for regulatory purposes, this Commission is not bound by the substantive plan.

Finally, the last argument raised by SSU is similar to its first. In its petition for reconsideration, the utility asserts that Issue 50 of Staff's Recommendation contains no discussion of inconsistencies in Mr. Gangnon's testimony. We find the utility's argument to be without merit. In Issue 50, the recommendation states as follows:

Staff notes that witness Gangnon was unfamiliar with the history of SSU's OPEB plan. For example, when initially asked at his deposition, he did not know how long SSU had offered OPEBs, he did not know if the benefits had increased, decreased, or remained the same, and he did not know how many employees were enrolled in the benefits plan. (EX 38, pp. 5-6) Further, witness Gangnon was not familiar with SSU's policy decisions behind its decision to provide OPEBs. (EX 38, p. 12) He provided a latefiled deposition exhibit stating that SSU informally offered OPEBs beginning in the early 1980's and that a formal OPEB policy was adopted on January 1, 1991. (EX 38, p. 51)

Therefore, we find that the late-filed deposition exhibit was inconsistent with Mr. Gangnon's testimony. Accordingly, we find that the utility has failed to show any mistake in fact, law or policy on this point.

Implicit in the Commission's adjustment in Order No. PSC-93-0423-FOF-WS to the requested OPEB expense was the Commission's determination that the utility failed to prove that the OPEB plan requested in the MFRs is prudent. However, since the record supports a finding that SSU will provide OPEBs and will incur an OPEB expense at some level, we found it appropriate in the Final

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Order to allow the utility to recover an OPEB expense based on the lowest cost plan.

In conclusion, we find it appropriate to deny the utility's motion for reconsideration of the FAS 106 cost adjustments based on our findings, discussed above, that the utility has not shown any mistake of law, fact or policy in its motion.

HERNANDO COUNTY BULK WASTEWATER SERVICE RATES

In its motion for reconsideration, SSU also alleges that this Commission violated the utility's due process rights by increasing the gallonage and base facility charge (BFC) rates for the Hernando County bulk wastewater service rates. SSU states that no issue was raised on these rates, that there has been no opportunity to address these rates, and that nothing was introduced into the record on which the Commission could rely when determining the rates.

According to the utility's motion, if the Commission's final rates are implemented, Hernando County may reduce the amount of wastewater sent to SSU for treatment or may find alternative treatment sources altogether. In response to SSU's motion, COVA again raises its arguments in opposition to statewide rates. In addition, COVA argues that Hernando County should not be treated differently from other customers similarly situated.

In its MFRs, the utility requested the same rates for residential, general service and bulk wastewater service customers. The utility did not request special rate consideration for its bulk service customer, Hernando County. Nothing in the utility's application or in the record establishes that Hernando County, as a bulk wastewater service customer, should be treated differently than any other general service customer in this proceeding. We find that the utility has failed to show any error we have made in setting the bulk wastewater service customer's rate where there was no distinction among general service customers and where rates were set for the Spring Hill System's general service customers in the same manner all general service customers' rates were set, as explained at pp. 93-105 of the Final Order. Further, we find that the threat of the loss of a portion of Hernando County's wastewater described in the utility's motion is not in the record and may not be relied on for reconsideration.

The Commission did not overlook or fail to consider the Hernando County rates; the utility failed to request specific consideration of the Hernando County wastewater bulk service rates separate or apart from those for any other general service customers. The Commission is under no obligation to ferret out "special" consideration for individual customers, particularly where neither the utility nor any other party brings such a request before the Commission. Based on the foregoing, we find it appropriate to deny the motion for reconsideration of bulk wastewater rates for Hernando County.

GAIN ON SALE

In its petition for reconsideration, OPC argues that we ignored several facts in the record relating to the gain on sale of the St. Augustine Shores System (SAS). Specifically, OPC refers to Exhibit 24, Order No. 17168, issued February 10, 1987, concerning SSU's request for a rate increase in Lake County. In that Order, the Commission found that the gain or loss on the sale of a system should be recognized in setting rates for the remaining systems. OPC states that by failing to treat the gain on sale of SAS consistently with the loss on the sale in Order No. 17168, the Commission has erred in its treatment of the gain on sale associated with SAS. OPC contends that the Commission's decision did not address Exhibit 24 and did not make any distinction between the two cases that would justify the differing treatments. In addition, OPC argues that it is inconsistent to allow recognition of the loss on the abandonment of the Salt Springs water system in this docket.

OPC also argues that the Final Order requires the customers of SSU to pay for utility expenses related to the utility's condemnation-resisting efforts. OPC asserts that Exhibit 140 shows that, during the test year, the utility included approximately \$21,000 of expense associated with an attempted condemnation of Deltona Lakes by Volusia County. OPC argues that if the customers have no stake in the outcome, they ought not foot the bill for the utility's insuring that the outcome is as expensive for the condemning authority as possible.

SSU, in its response to OPC's petition, states that the Final Order is consistent with the rationale applied by the Commission in numerous past proceedings involving the ratemaking treatment of a gain on the sale of assets. It argues that in past proceedings where the Commission has required utilities to share a gain, the

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facts demonstrate that the gains were realized on the sale of assets, as distinguished from a condemnation. SSU distinguishes those cases in which this Commission has allowed a gain on sale from a gain on the condemnation of assets. SSU also argues that OPC, by referring to Order No. 17168 (Ex 24), has impermissibly related a new argument and has failed to show any error in not addressing Order No. 17168 in the Final Order because OPC's brief makes no mention of Order No. 17168.

SSU further argues that the decision on the gain on sale in Order No. 17168 is an aberration and is inconsistent with the position of the parties on losses on sales or condemnations in this proceeding. SSU states in its response that OPC raises a new argument when it attempts to draw a parallel between the accounting treatment of an abandonment and a condemnation. The utility argues that OPC's initial premise for comparison of an abandonment loss and a condemnation gain is faulty in that the ratepayers in this proceeding shoulder no additional expense as a result of the abandoned Salt Springs system. The utility also argues that, consistent with the Mad Hatter case (Order No. PSC-93-0295-FOF-7, issued Pebruary 24, 1993), if the decision to abandon plant was prudent, any resulting loss should be burne by the ratepayers. The utility argues that this standard presents an entirely different set of circumstances than those arising out of a condemnation of an entire non-Commission regulated system with stand-alone rates.

The utility concludes with a summation of items that distinguish an abandonment of property from a condemnation of an entire system: (1) an abandonment is an ordinary part of doing business — a condemnation is not; (2) an abandonment only becomes extraordinary if the utility does not have sufficient reserves to accommodate the abandonment — condemnations are not part of the normal course of a utility's operations; (3) customers formerly served by abandoned plant remain customers of the utility— when an entire system is condemned, the affected customers no longer are customers of the utility; and (4) since customers remain with the utility in the abandonment situation, the utility's investment can be recovered from them — when an entire system is condemned, no customers remain from whom the utility can recover any losses of its investment in utility assets.

We find that our decision in the Final Order was based on the record evidence presented. OPC has failed to show that the Final Order is inconsistent with other Commission decisions based on the same record evidence where the gain was the result of a

condemnation. We have reviewed the 1987 rate case Order No. 17168 wited by OPC. We find that it is the fact that SAS customers never contributed to the recovery of any return on investment which distinguishes this case from Order No. 17168. Because the facts of Order No. 17168 were not fully explored at the hearing in Docket No. 920199, we find that it is impossible to determine whether the facts in that case were the same as presented in this docket. Even if the circumstar as were the same, we find that the order in that case was a proposed agency action, which was not based on evidence induced through the hearing process.

OPC's argument that the customers of SSU should not have to foot the bill for condemnation-resisting efforts is an entirely new Issue not previously raised in this case or addressed in its brief. The expenses OPC refers to are expenses incurred in condemnation proceedings which do not result in condemnation. Expenses incurred in condemnation proceedings which do result in condemnation are not included in the rate case. (TR 606 and EX 47)

As OPC's petition for reconsideration of this issue does not present any arguments regarding the sale of utility assets which we overlooked or failed to consider, or show any error in fact, law or policy, we find it appropriate to deny OPC's request for reconsideration.

ACQUISITION ADJUSTMENT

In its petition for reconsideration, DPC argues that the Committion overlooked and failed to consider evidence which contradicts our conclusion that no extraordinary circumstances had been shown to support an acquisition adjustment. OPC further argues that the Commission failed to address the Deltona high cost debt in the acquisition adjustment issue and that purchasing a system with such high cost debt is an extraordinary circumstance.

We find that OPC misapprehends the meaning of the reference to the acquisition adjustment issue made on page 49 of the Final Order. OPC's position on the cost of debt issue was that the cost of debt should be adjusted to reflect the utility's failure to take the cost of debt into consideration when determining a purchase price. In the Final Order, we found that this was not an appropriate basis for a cost of debt adjustment. We confirm that it was not our intention in the Final Index, nor was it our obligation, to apply ope's position on one issue to another issue, as inferred by OPC.

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OPC did not argue in its brief, nor did it present evidence or arguments, that extraordinary circumstances existed to justify a negative acquisition adjustment. We agree with OPC that facts are in the record dealing with the purchase price, the high cost of debt and the subject of a negative acquisition adjustment. However, OPC's position and argument on the negative acquisition adjustment issue were that, "the Commission cannot allow a return on investment which was not already made in providing utility service to customers."

We find that OPC is rearguing its case. Baving fall to win its point on the cost of debt issue, it appears that OPC is now taking a new position on the negative acquisition issue, while at the same time employing evidence presented for other issues in support of it. We find that OPC has failed to show that the Commission overlooked or failed to consider any point made with regard to the negative acquisition adjustment issue. Therefore, OPC's petition for reconsideration is denied.

COVA'S NOTION FOR CORRECTION OF PROPERTY TAXES

As discussed in an earlier portion of this Order, on June 28, 1993, COVA filed a motion seeking to correct the tax projections used for the projected test year to the actual 1991 tax amounts. On July 7, 1993, SSU filed a Motion to Strike the Motion for Corration of Property Taxes as an untimely request. We agree and further note that COVA's motion sought to have the Commission consider evidence not included in the record and failed to show any error in the Final Order. In addition, we find that any necessary adjustments to tax amounts may be made in pass-through requests. Accordingly, COVA's Motion is denied as untimely.

COVA'S SUPPLEMENTAL MOTION FOR RECONSIDERATION

As discussed in an earlier portion of this Order on July 8, 1993, COVA filed a motion for reconsideration alleging that a staff attorney responsible for the recommendation in this docket accepted employment with SSU and had applied for employment prior to preparation of the recommendation. On July 14, 1993, SSU filed a Motion to Strike COVA's motion as untimally. We find it appropriate to dony COVA's motion as untimely, having been filed several months late, and as factually inaccurate. As we have previously determined through an internal investigation, the staff attorney who accepted employment with SSU did not seek employment with SSU prior to the recommendation being filed, was not solely responsible

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for the preparation of the recommendation and did follow all Commission procedures when seeking employment with a regulated utility. Accordingly, COVA's motion is denied.

COMMISSIONER CLARK'S MOTION TO RECONSIDER THE CALCULATION OF THE INTERIM REPUND AMOUNTS

In Docket No. 921301-WS the utility requested deferred recovery of OPEB expenses incurred by SSU from January through the implementation of final rates in this docket. This request was addressed at the Agenda Conference on August 17, 1993. During the discussion at Agenda, it became apparent that although the Final Order included approval of OPEB expenses, those expenses were specifically excluded from the calculation of the appropriate amount of refund for interim rates in the Final Order. Therefore, Commissioner Clark, on her own motion, moved for reconsideration of the interim refund calculation in Order No. PSC-93-0423-FOF-WS to determine whether there had been an error in the Final Order by excluding the OPEB expense from the interim refund calculation.

Page 105 of the Final Order states that in order to calculate the proper interim refund amount, the Commission calculated a revised interim revenue requirement using the same data used to establish final rates, but excluding the pro forma provisions for rate case expense and FAS 106 costs. The order states that those pro forma charges were excluded since they were not actual expenses during the interim collection period. The interim collection period began in November, 1992 and was in effect through October, 1993.

Because FAS 106 required compliance by January 1, 1993 for companies providing OPEBs, the increased expense for OPEBs was incurred during the time interim rates were collected. Therefore, those amounts should not have been removed from the calculation of the revised interim revenue requirement. Therefore, we find it appropriate to grant Commissioner Clark's motion for reconsideration.

Based on this reconsideration, we find the appropriate revised interim revenue requirements to be \$15,596,621 and \$10,101,174 for water and wastewater, respectively. This results in a refund of \$750,975 for water and \$169,432 for wastewater. The reconsideration reduces the refund required in the Final Order by \$319,396 and \$110,465, respectively. The recalculated refund

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percent, after removal of other revenues, is 4.69 percent for water and 1.65 percent for wastewater.

In order to monitor the completion of the refund, this docket shall remain open. If no appeal is pending in this docket, the docket may be closed administratively after staff has verified that the refund was made consistent with the Commission's order and with applicable rules regarding refunds. This docket shall remain open pending the resolution of any appeals.

Based on the foregoing it is, therefore,

ORDERED by the Florida Public Service Commission that petitions for intervention filed by Sugarmill Manor, Inc., Florida State Senator Ginny Brown-Waite, Spring Hill Civic Association, Inc., and Cypress Village Property Owners Association are denied. It is further

ORDERED that the petitions and motions for reconsideration filed by Sugarmill Manor, Inc., Richard McCoy, Phil Giorno, Hernando County Board of Commissioners, Patricia Northey, Florida State Senator Ginny Brown-Waite, Spring Hill Civic Association, Inc., Cypress Village Property Owners Association, Southern States Utilities, Inc., the Office of Public Coursel (OPC), Citrus County, and Cyprus and Oak Villages Association (COVA) are denied. It is further

ORDERED that the interim revenue requirements and the interim refund amounts have been reconsidered and the revised amounts are set forth in the body of this Order. It is further

ORDERED that this docket shall remain open until the refund is completed and staff has verified the refund and pending the resolution of any appeals.

By ORDER of the Florida Public Service Commission, this 2nd day of November, 1293.

STEVE TRIBBLE, Director Division of Records and Reporting

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NOTE: On the issue of OPEBs, there was a split vote by the panel consisting of Commissioners Clark and Beard; Chairman Deason cast the deciding vote after reviewing the record. On the issue of Commissioner Clark's motion for reconsideration, Commissioners Clark and Johnson voted for reconsideration and Chairman Deason voted not to reconsider.

NOTICE OF JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120,59(4), 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.

Any party adversely affected by the Commission's final action in this matter may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or Wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Plorida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

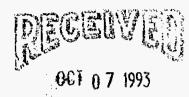
APPENDIX C

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION .

In Re: Joint Petition of Citrus) DOCKET NO. 930647-WS County, Hernando, County, Cypress and Oaks Villages Association, Spring Hill Civic Association, and Florida State Senator Ginny Brown-Waite for Full Commission Hearing to Set System-by-System, Stand-Alone Rates for Water and Wastewater Systems Operated in Brevard, Charlotte/Lee, Citrus, Clay, Collier, Duval, Hernando, Highlands, Lake, Marion, Martin, Nassau, Orange, Osceola, Pasco. Putnam, Seminole, Volusia, and Washington Counties by SOUTHERN STATES UTILITIES, INC.

ORDER NO. PSC-93-1422-FOF-WS ISSUED: September 30, 1993



OFFICE OF ATTORNEY GENERAL SPECIAL PROJECTS DIVISION

The following Commissioners participated in the disposition of this matter:

> J. TERRY DEASON, Chairpan SUSAN F. CLARK JULIA L. JOHNSON LUIS J. LAUREDO

ORDER DISMISSING JOINT PETITION

BY THE COMMISSION:

By Order No. PSC-93-0423-FOF-WS, issued March 22, 1993, this Commission set uniform, statewide rates for 127 water and wastewater systems of Southern States Utilities, Inc. (SSU) in Docket 920199-WS. Motions for reconsideration were filed by several parties, including the Office of Public Counsel, Citrus County, and Cypress and Oak Villages Association (COVA). Reconsideration was denied by Commission votes on July 20, and August 3, 1993. There remains one pending motion for reconsideration to be heard at the September 28, 1993, Agenda Conference.

On July 2, 1992, a Joint Petition for Full Commission Hearing for the Purpose of Setting System by System, Stand Alone Water and Wastewater Rates for Certain Systems Operated by SSU was filed by

> BOCONERS AND SEED - BYTE 10549 SEP 308: and Marie Cont. Cathol

ORDER NO. PSC-93-1422-FOF-WS DOCKET NO. 930647-WS PAGE 2

Citrus County, Hernando County, COVA, Spring Hill Civic Association (Spring Hill), and Senator Ginny Brown-Waite (Petitioners). This Docket was opened to address the Joint Petition. In the Joint Petition, the Petitioners alleged that a case of such statewide impact as the SSU rate case should have been heard by the full Commission. The Fetitioners also alleged that the statewide, uniform rates authorized by the Commission would require some customers of SSU to unlawfully subsidize expenses of systems which are not physically connected; that the Commission is without legal authority to set statewide rates; that there was inadequate notice that uniform rates would be set; and finally, that the decision to set uniform statewide rates was not supported by competent, substantial evidence.

On July 22, 1993, SSU timely filed a Motion to Dismiss the Joint Petition. In the Motion to Dismiss, SSU argued that similar issues to those raised by Petitioners had been filed and denied in the SSU rate case docket; that the Joint Petition failed to meet the minimum requirements of Rule 25-22.036(7), Florida Administrative Code; that the Joint Petition is a thinly disquised request for reconsideration of Order No. PSC-93-0423-FOF-WS; and that a petition for the full Commission assignment to the SSU rate case had been filed, considered and denied in Docket No. 920199-WS. The utility also alleged that the Joint Petition failed to meet the requirements of Rule 25-22.036 (6), Florida Administrative Code.

On August 16, 1993, the Petitioners filed a Response to SSU's Motion to Dismiss and a Request for an Investigation. The filing date of SSU's Motion to Dismiss was July 22, 1993. Pursuant to Rule 25-22.037(2), Florida Administrative Code, a response to the motion was due within 7 days of service, plus 5 days for mailing. The Petitioners' Response was filed 25 days after the Motion to Dismiss was filed. We find that Petitioners' Response to the Motion to Dismiss was filed late. Neither an explanation for the untimeliness of the response, nor a request for an extension of time was included in the filing. Based on the untimeliness alone, we find that the Response need not be considered by the Commission. Therefore, we find it appropriate to strike the Petitioners' Response to SSU's Motion to Dismiss as untimely. Petitioners' Request for Investigation, filed with the Response will be addressed in a forthcoming recommendation in Docket No. 930648-Ws.

All of the issues raised by the Petitioners as error in this docket were raised on reconsideration and rejected in Docket No. 920199-WS. The Joint Petition is based on the Petitioners' view

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that the rates set in Order No. PSC-93-0423-FOF-WS are not fair just and reasonable as to them and the other customers they represent. We find that Order No. PSC-93-0423-FOF-WS explains thoroughly the basis for the fairness, justness and reasonableness of those rates. Petitioners have presented no new evidence or raised no new arguments. Rule 25-22.060(1)(a), Florida Administrative Code, prohibits seeking reconsideration of an order which disposes of a motion for reconsideration. We find that the Joint Petition is an inappropriate pleading seeking nothing more than reconsideration of Order No. PSC-93-0423-FOF-WS. Accordingly, the Joint Petition is dismissed.

However, we find it appropriate to initiate on our own motion an investigation by the full Commission to explore whether setting uniform, statewide rates for SSU is appropriate public policy. To that end, Docket No. 920880 has been opened. The investigation will include a review of statewide rates as well as the rate design for the bulk wastewater customers.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that the Motion to Dismiss filed by Southern States Utilities, Inc. is hereby granted. It is further

ORDERED that the Joint Petition is hereby dismissed. It is further $% \left(1\right) =\left\{ 1\right\} =\left\{ 1\right\}$

ORDERED that an investigation to explore whether setting uniform, statewide rates for SSU is appropriate public policy shall be initiated.

By ORDER of the Florida Public Service Commission this <u>10th</u> day of <u>September</u>, <u>1991</u>.

STEVE TRIBBLE, Director Division of Records and Reporting

(SEAL)

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by: Kar Human Chief, Bunkau of Mecords ORDER NO. PSC-93-1422-FOF-WS DOCKET NO. 930647-WS PAGE 4

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.

APPENDIX D

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Commissioners:

J. TERRY DEASON, CHAIRMAN
SUSAN F. CLARK
LUIS J. LAUREDO
JULIA L. JOHNSON



DIVISION OF WATER & WASTEWATER CHARLES HILL DIRECTOR (904) 488-8482

Public Service Commission

September 15, 1993

Mr. Kenneth A. Hoffman, Esquire Messer, Vickers, Caparello, Madsen, Lewis, Coldman & Metz P. O. Box 1876 Tallahassee, FL 32302-1876



WS File Number; WS-92-0128

Dear Mr. Hoffman:

Subject:

Docket No. 920199-WS - Approval of Southern States Utilities,

Inc. Final Uniformed Rate Schedule Tariff Sheets.

The following tariff sheats have been approved effective September 15, 1993:

Water Tariff

Wastewater Tariff

Volum I, Section V:

Volume II, Section V:

0	riginal	Sheet	Nos.	1.0	-	1.2	Original	Sheet	Nos,	1.0 -	1.1
0	riginal	Sheet	Nos.	2.0	•	2.7	Original	Sheet	Nos.	2.0 -	2,2
Ō.	riginal	Sheet	Nos.	3.0	-	3.1	Original	Sheet	Nos.	2.21	- 2.27
0	riginal	Sheet	Nos.	4.0	•	4.1	Original	Sheet	No.	3.0 -	3.7
0	riginal	Sheet	Nos.	5.0	-	5.3	Original	Sheet	Nos.	5.0 -	5.1
0	riginal	Sheet	Nos.	7.0	-	7.1				•_	

Please incorporate these tariff sheets into the approved tariff on file at the Utility's office.

Post-It™ brand fax transmittal n	nemo 7671 Foi pages > 4
TO MARCHAN CAMES	Fram O. Bene.U
co. Alle Genel	60. PSC
Dept. S. Decial Dran	Phone + 487-2740
FAX + 4RR - 105 80	Fax #

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Letter to Mr. Kenneth A. Hoffman, Esquire September 15, 1993 Page Two

If you have any questions concerning this filing, please contact Billie Messer or Charlotte Hand at (904) 488-8482.

Sincerely,

Charles H. Hill

Chailes H. Here/go

Director

CHH/CMH/db Enclosures

cc: Division of Water and Wastewater (Willis, Messer, Hand, WS-92-0128)
Division of Legal Services (Bedell)

Commissioners: J. TERRY DEASON, CHAIRMAN SUSAN F. CLARK LUIS J. LAUREDO JULIA L. JOHNSON



DIVISION OF WATER & WASTEWATER CHARLES HILL DIRECTOR (904) 488-8482

Public Service Commission

September 24, 1993

Mr. Kenneth A. Hoffman Messer, Vickers, Caparello, Madsen Lewis, Goldman & Metz Suite 701 215 South Monroe Street Tallahassee, FL 32302-1876

WS Number <u>WS-93-0220</u>

Subject:

Docket No. 920199-WS, Correction of Tariff Filing for Residential Wastewater Only Tariff Sheets and Correction of Tariff Sheets for Geneva Lake Estates, Keystone Club Estates, Lehigh and Tropical Isles.

Dear Mr. Hoffman:

The following Residential Wastewater Only (RWO) tariff sheets have been administratively approved with a tariff approval date of September 24, 1993:

Wastewater Tariff

Wastewater Volume II, Section V Original Sheets No. 2.3 - 2.20

The effective date of the RWO rates remains September 15, 1993 which is consistent with the effective date of the uniformed rate tariff sheets transmitted to you on September 15, 1993 by authority number WS-92-0128. As you are aware, the RWO tariff sheets were inadvertently omitted.

In addition, the following corrected tariff sheets for Geneva Lake Estates, Keystone Club Estates, Lehigh and Tropical Isles have been administratively approved with a tariff approval date of September 24, 1993:

Water Tariff

Water Volume I, Section V
First Revised Sheet Nos. 3.0 - 3.1 Cancels Original Sheet Nos. 3.0 - 3.1
First Revised Sheet Nos. 4.0 - 4.1 Cancels Original Sheet Nos. 4.0 - 4.1
First Revised Sheet Nos. 5.0 - 5.3 Cancels Original Sheet Nos. 5.0 - 5.3

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Letter to Mr. Kenneth A. Hoffman September 24, 1993 Page Two

Hastewater Tariff

Wastewater Volume II, Section V
First Revised Sheet Nos. 3.0 - 3.7 Cancels Original Sheet Nos. 3.0 - 3.7
First Revised Sheet Nos. 5.0 - 5.1 Cancels Original Sheet Nos. 5.0 - 5.1

The rates were not affected however, the effective date of the rates has been corrected.

Please have these tariff sheets incorporated into the approved tariff on file at the Utility's office. If you have any questions, contact Michele Franklin at our office.

Sincerely,

Charles H. Hill

Director

CHH/MLF/mlf (hoffman.mlf) Enclosure: APPENDIX E

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF FINAL RATES

DOCKET NO. 920199-WS

Dated: September 1993

Dear Customer:

On March 22, 1993, the Florida Public Service Commission ("FPSC") issued Order No. PSC-93-0423-FOF-WS establishing final rates and charges. The final rates and charges will be effective for service rendered on or after September 15, 1993. The schedule set forth on the back of this page shows the new rates. With these rates, all customers will now be billed on a monthly basis. Please note that some services listed may not be available in your area.

The FPSC also ordered that a portion of the interim rates which were collected by our company be refunded to customers. The excess revenues will be refunded with interest at a later date. You will receive a separate notice at that time explaining the refund and the amount credited to your account.

If you have any questions, please contact our customer service representatives at your local office or our general offices at (800) 432-4501 between the hours of 7:45 a.m. and 4:45 p.m. weekdays.

We appreciate the opportunity to serve you.

Sincerely,

Judy Lee Sweat

Manager, Customer Business Office

Juke, Les. Surest

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SOUTHERN STATES UTILITIES, INC. RATE SCHEDULE (MONTHLY RATES)

CLASS/ METER SIZE	COMMIS	SION APPROVED RATES	CLASS/ METER SIZE	COMMISSION APPROVED RATES
WATER		·	WASTEWATER	
Base Monthly Charge for	Residential,	General Service, Multi-	·· — -	
Family and Public Auth	ority		Base Monthly Charge for	r Residential
5/8 x ¾°		\$5.00	All Meter Sizes	\$12.01
¾ *		7.50		
1*		12.50	Gallonage Charge (per 1	.000 gallons) \$3.41
1½*		25.00	(6,000 gallon maximum	n)
2*		40.00		•
3*		80.00	Base Monthly Charge for	General Service, Multi-Family and
4*		125.00	Bulk Wastewater	a series as vious vious i alimity allo
6"	:	250.00	5/8° x ¾°	\$12.01
8*		100.00	¾ *	18.02
10*		575.00	1*	30.03
			1½*	60.05
Gallonage Charge			· 2*	96.08
(per 1,000 gallons)		\$1.19	3*	192,16
the stand demand			4*	300.25
Private Fire Protection			6*	600.50
21		\$13.33	8*	960.80
4*		41.67	· 10*	1,381.15
6°		83.33	•	.,50
8.	1	133.33	Gallonage Charge	
10*		191.67	(per 1,000 gallons)	\$4.09
MISCELLANEOUS SER	VICE CHARG	GES	EFFLUENT	
· · · · · · · · · · · · · · · · · · ·	Water	Wastewater		
Initial Connection	\$15.00	\$15.00	Gallonage Charge	
Vormal Reconnection	\$15.00	\$15.00	(per 1,000 gallons)	\$0.06
Violation Reconnection	\$15.00	Actual Cost		
Premises Visit	\$10.00	\$10.00	Charge per Sprinkler Head	\$0.06