## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for a rate ) DOCKET NO. 940299-SU increase in Monroe County by KEY ) ORDER NO. PSC-94-0720-FOF-SU HAVEN UTILITY CORPORATION. ) ISSUED: June 10, 1994

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman SUSAN F. CLARK JULIA L. JOHNSON DIANE K. KIESLING

## ORDER GRANTING A TEMPORARY EXEMPTION FROM RULE 25-30.437(4), FLORIDA ADMINISTRATIVE CODE

BY THE COMMISSION:

On March 24, 1994, Key Haven Utility Corporation (Key Haven) filed a request for an historic test year dated December 31, 1994. On April 6, 1994, we approved Key Haven's request for the 1994 historic test year. On May 4, 1994, we received Key Haven's request to waive Rule 25-30.437(4), Florida Administrative Code. Key Haven is a Class C utility that serves approximately 375 wastewater customers in Monroe County. According to its 1992 Annual Report, Key Haven had gross operating revenues of \$153,635 and a net operating loss of \$12,645.

Key Haven's customers receive their water service from the Florida Keys Aqueduct Authority. Key Haven asserts that it cannot obtain water readings from its water provider at a reasonable cost. Key Haven also asserts that the Commission was aware of its inability to obtain water readings when we authorized K.W. Resort Utilities, Ocean Reef Utility and Key Haven, certificated wastewater utilities in Monroe County, to bill their customers at a flat rate. Key Haven further states that it does not know how to obtain historical water consumption data for its wastewater customers, which is a necessary component in compiling the billing analysis.

Pursuant to Rule 25-30.011(2), Florida Administrative Code, a utility may apply for modification of or a temporary exemption from any rules set out in Chapter 25-30, Florida Administrative Code, in any case where the rule involves unreasonable difficulty in immediate compliance, or where the rule causes unusual\* hardship. We reviewed Key Haven's last rate case in Docket No. 880537-SU, and

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we acknowledge that we approved Key Haven's usage of flat rates. Moreover, in the last docket, we determined it would be cost prohibitive for Key Haven to obtain its billing information from the Florida Aqueduct Authority. However, the Florida Aqueduct Authority offered to provide Key Haven the meter information on a continuous basis for \$150 a month. Also estimated in the last docket that it would cost Key Haven at least an additional \$200 per month, plus another \$150 for the meter information. The \$350 would increase the cost per customer to \$1.04 per month, or \$12.53 per year. Based on the increased cost, the relatively uniform service area, and acceptance of the flat rate structure by the majority of the customers, we approved Key Haven's continued use of flat rates.

In this case, however, Key Haven will experience unreasonable difficulty in complying with the billing analysis required by Rule 25-30.437(4), Florida Administrative Code. Therefore, we approve Key Haven's request and grant it a temporary exemption from Rule 25-30.437(4), Florida Administrative Codes. This docket shall remain open to process this rate increase application.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Key Haven Utility Corporation is hereby granted a temporary exemption from Rule 25-30.437(4), Florida Administrative Code. It is further

ORDERED that this docket shall remain open to process this rate increase application.

By ORDER of the Florida Public Service Commission, this  $\underline{10th}$  day of  $\underline{June}$ ,  $\underline{1994}$ .

BLANCA S. BAYO, Director

Division of Records and Reporting

(SEAL)

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## 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 this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) 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. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.