

VOTE SHEET

DATE: APRIL 1, 1997

RE: DOCKET NO. 961416-WS - Response to Commission order to show cause by Southern States Utilities, Inc. Pasco County.

Issue 1: Recommendation that the Commission has the authority to reduce Southern States Utilities, Inc.'s rates to reflect a reduction in purchased water and/or wastewater costs only if the utility meets or exceeds the minimum of its authorized range of return on equity.

DEFERRED

Alternative Recommendation: Recommendation that the Commission has the authority to reduce Southern States Utilities, Inc.'s rates because Section 367.081(4)(b), F.S., requires a utility's rates to be reduced to reflect a reduction in purchased and/or wastewater costs.

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

REMARKS/DISSENTING COMMENTS:

PSC/RAR33 (5/90)

Staff to advise

DOCUMENT NUMBER-DATE

03486 APR-46

FPSC-RECORDS/REPORTING

Issue 2: Recommendation that SSU has failed to file the information required by Rule 25-30.425(1)(a) through (f), F.A.C., pursuant to Order No. PSC-96-1226-FOF-WS. Therefore, the Commission should reach a decision regarding the proposed decrease based on the information presently available.

If the Commission votes yes to either the primary or alternative recommendation in Issue 1, the base facility charge for the Zephyr Shores water system should be increased by 2.38% and the gallonage charge should be decreased by \$.02 to reflect the increase in commercial water rates. The gallonage charge for the Zephyr Shores wastewater system should be decreased by \$.77 to reflect the decrease in bulk wastewater rates. SSU's rates should be decreased by \$.05 for the water customers of Palm Terrace and the other eight systems (Oakwood, Imperial Terrace, Palm Terrace, Kingswood, Picciola Island, Daetwyler Shores, Fern Park, Oak Forest and Salt Springs) within SSU's capband rate structure to reflect the reduction in costs for purchased water.

The utility should file revised tariff sheets and a proposed customer notice reflecting the appropriate rates and the reason for the rate adjustment. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. The rates should not be implemented until proper notice has been received by the customers. The utility should provide proof of the date notice was given within 10 days after the date of the notice.

Issue 3: Recommendation that the Commission has the authority to require Southern States Utilities, Inc. to refund excess purchased water and/or wastewater costs collected from April 1, 1996 to the effective date of the new rates.

Issue 4: Recommendation that, if the Commission votes yes to either the primary or alternative recommendations in Issue 1 and votes yes to Issue 3, the utility should refund excess purchased water and wastewater costs collected from April 1, 1996 to the effective date of the new rates. Staff's calculations show a decrease of \$6,525.20 for purchased wastewater for Zephyr Shores, and a decrease of \$9,278.08 for purchased water for Palm Terrace. When these amounts are grossed up for regulatory assessment fees, the total reduction is calculated to be \$6,832.67 and \$9,715.27, respectively. Staff does not have the consumption data at this time to calculate the amount of the refunds. Therefore, SSU should be ordered to provide actual consumption data for Zephyr Shores, Palm Terrace, and the other eight systems within the capband (Oakwood, Imperial Terrace, Kingswood, Picciola Island, Daetwyler Shores, Fern Park, Oak Forest, and Salt Springs).

The utility should calculate the refund due customers based on the difference in the cost of the number of gallons of water sold and wastewater treated at the old rate and the new rate. The utility should also submit a schedule showing by month actual water gallons sold and wastewater gallons treated for the period April 1, 1996 through the date the utility implements the new rates and a schedule showing the calculation of the refund per customer. The refunds should be made with interest, as required by Section 25-30.360(4), F.A.C., within 90 days of the effective date of the order. The utility should be required to submit the proper refund reports pursuant to Rule 25-30.360(7), F.A.C. The utility should treat any unclaimed refunds as CIAC pursuant to Rule 25-30.360(8), F.A.C.

Issue 5: Recommendation that, upon expiration of the protest period, if a timely protest is not received from a substantially affected person, upon verification that the utility has reduced its rates to reflect the reduction in purchased water and wastewater costs to bulk water and wastewater customers in Pasco County and has refunded the excess purchased water and wastewater costs collected from April 1, 1996 to the effective date of the new rates, and upon the utility's filing of and staff's approval of the proposed customer notice and the revised tariff sheets, this docket should be closed.