

ORIGINAL

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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RECEIVED-PPSC

MAY 4 PM 2:35

COMMISSION CLERK

DATE: May 3, 2005

TO: Braulio L. Baez, Chairman

FROM: Timothy J. Devlin, Director, Division of Economic Regulation *TJD*
Mary Anne Helton, Attorney Supervisor, Office of the General Counsel *MAH*

RE: Docket No. 050281-SU - Application of Plantation Bay Utility Company for an increase in wastewater rate in Volusia County - Test Year Approval

By letter dated April 20, 2005, Plantation Bay Utility Company (Plantation Bay) has requested approval to use a historical base year ended December 31, 2004 for a wastewater only rate case filing. The company has indicated the year 2004 is representative of current operations and is a representative period to measure the cost of service and to establish new rates. Further, the utility will file its application using the Proposed Agency Action provision in Section 367.081(8), Florida Statutes.

Plantation Bay states that no major plant expansions have occurred in the most recent 18 months or will occur during the test year. Further, Plantation Bay indicated that there are no pro forma adjustments to plant known at this time.

By Order No. PSC-02-1449-PAA-WS, issued October 21, 2002, the Commission addressed the utility's last general rate review through an overearnings investigation. Staff believes that the requested test year will be representative because of the reasons stated above. Staff has reviewed the utility's annual reports for the calendar years 2002 through 2003. Based on our review, we believe that the requested test year should be approved. Receipt of the application upon approval of the test year will be acceptable.

- CMP _____
- COM _____ The test year letter filename is I:\PSC\WAW\WP\PLANTATIONBAY.LTR.DOC
- CTR _____
- ECR _____ c: Dr. Mary Bane, Executive Director
- GCL _____ Charles H. Hill, Deputy Executive Director/Technical
- OPC _____ Division of Economic Regulation (Willis, Rendell)
- MMS _____ Office of the General Counsel (Helton)
- RCA _____ Division of Commission Clerk and Administrative Services
- SCR _____ Sandy Moses
- SEC 1
- OTH _____

DOCUMENT NUMBER-DATE

04369 MAY-4 05

FPSC-COMMISSION CLERK

BRAULIO L. BAEZ
CHAIRMAN

STATE OF FLORIDA



CAPITAL CIRCLE OFFICE CENTER
2540 Shumard Oak
Boulevard
Tallahassee, FL 32399-0850
(850) 413-6042

Public Service Commission

May 3, 2005

Matin S. Friedman, P.A.
Rose, Sundstrom & Bentley, LLP
600 S. North Lake Blvd., Suite 160
Altamonte Springs, FL 32701-6177

Re: Docket No. 050281-SU - Application for an increase in wastewater rates by Plantation Bay Utility Company in Volusia County

Dear Mr. Friedman:

We have received your letter dated April 20, 2005, requesting approval for Plantation Bay Utility Company (Plantation Bay) to use an historical base year ended December 31, 2004 for final rates. It is my understanding that the utility will file its application using the Proposed Agency Action (PAA) provision in Section 367.081(8), Florida Statutes. The utility's test year request as outlined above is hereby approved. You should also be aware that if you do not elect to request the PAA process in your application, prefiled direct testimony must be filed with the minimum filing requirements (MFRs).

For administrative purposes only, Docket No. 050281-SU has been assigned to the forthcoming case. Your petition will be deemed filed on the date that the Division of Commission Clerk and Administrative Services receives the complete petition, revised tariff sheets, the MFRs, testimony (if not requesting PAA), and the filing fee. I understand that the utility is prepared to file its MFRs upon test year approval. Therefore, the MFRs should be received by September 1, 2005. Because of the difficulty in scheduling hearing dates, it is not anticipated that an extension of this filing will be granted.

Under the file and suspend law, the time period for processing the request will begin on the date that all of the required data is completely filed. If not complete, the official filing date will be the date the complete corrections to the deficiencies are filed.

Martin Friedman, P.A.

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May 3, 2005

The utility is instructed to file all information it wishes the Commission to consider when arriving at a decision on its rate case application with its original filing. Because of the time limitations contained in Section 367.081, Florida Statutes, and the lengthy auditing and investigation required, information not filed with the original application may not be considered.

Sincerely,

Braulio Baez
Chairman

BB:wtr

cc: Dr. Mary Bane, Executive Director
Charles H. Hill, Deputy Executive Director/Technical
Division of Economic Regulation (Willis, Rendell)
Office of the General Counsel (Helton)
Division of Commission Clerk and Administrative Services
Harold McLean, Office of Public Counsel