

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in wastewater rates in Pinellas County by Mid-County Services, Inc.	DOCKET NO. 080250-SU ORDER NO. PSC-09-0373-PAA-SU ISSUED: May 27, 2009
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The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman
LISA POLAK EDGAR
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING MID-COUNTY SERVICES, INC.'S
APPLICATION FOR RATE INCREASE
AND
FINAL ORDER FINDING AN INTERIM REFUND IS NOT REQUIRED
AND APPROVING FOUR-YEAR RATE REDUCTION

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein, except for the actions finding an interim refund is not required and approving a four-year rate reduction, are preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

Mid-County Services, Inc. (Mid-County or Utility) is a Class A utility providing wastewater service to approximately 2,342 customers in the City of Dunedin in Pinellas County. The Utility is a wholly-owned subsidiary of UI. Mid-County is located in a region which has been designated by the Southwest Florida Water Management District as a critical use area. Water services and billing is provided by Pinellas County. The Utility's wastewater rates were last established in its 2006 rate proceeding.¹

On August 22, 2008, Mid-County filed its application for a rate increase. The Utility requested that the application be processed using the Proposed Agency Action (PAA) procedure. Mid-County had deficiencies in the Minimum Filing Requirements (MFRs). The deficiencies were corrected and November 17, 2008, was established as the official filing date. The test year

¹ See Order No. PSC-07-0134-PAA-SU, issued February 16, 2007, in Docket No. 060254-SU, In re: Application for rate increase in Pinellas County by Mid-County Services, Inc. Consummating Order No. PSC-07-0227-CO-SU, issued March 13, 2007, made Order No. PSC-07-0134-PAA-SU final and effective.

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established for interim and final rates is the historical twelve-month period ended December 31, 2007.

Mid-County requested interim rates designed to generate annual wastewater revenues of \$1,907,277, an increase of \$175,711 or 10.15 percent. By Order No. PSC-08-0763-PCO-SU, issued November 17, 2008, we approved interim rates designed to generate annual wastewater revenues of \$1,731,567, an increase of \$62,872 or 3.63 percent.² The Utility requested final rates designed to generate wastewater revenues of \$2,098,901, an increase of \$386,288 or 22.56 percent.

This Order addresses the revenue requirement and rates that shall be approved on a prospective basis. We have jurisdiction pursuant to Section 367.081, Florida Statutes (F.S.).

Quality of Service

Pursuant to Rule 25-30.433(1), F.A.C., we determine the overall quality of service provided by the Utility. Items considered are the quality of the product, the operating conditions of the plant, and customer satisfaction.

Mid-County's wastewater plant is regulated by the Department of Environmental Protection (DEP). We found in the last rate case that the quality of service was marginal because, while the Utility was making efforts and taking necessary steps to resolve effluent quality issues, the Utility was not yet in compliance with DEP regulations. The effluent quality issues were related to exceedances in certain testing parameters for a couple months in 2005 and 2006. Exceedances occurred due to past operation and maintenance conditions as well as collecting samples at incorrect sampling locations. A Warning Letter was sent to Mid-County in November 2006, citing a number of deficiencies.

A compliance inspection conducted in April 2007 by the DEP showed a number of compliance issues involving sampling, records and reports, low chlorine readings, ambient monitoring data deficiencies, and effluent quality exceedances for a variety of parameters. The Utility responded in May 2007, delineating the steps already taken or being taken to correct the deficiencies, or explaining the reason why the parameter had been exceeded. Operational changes were made and the requirements of the DEP rules were met.

DEP assessed penalties to resolve the matters addressed in the Warning Letter from November 2006, noting that corrective actions had been performed to bring the plant into compliance. An executed Consent Order with an effective date of July 22, 2008, addressed these same issues and resolved the effluent quality exceedances, including penalties. According to DEP, the penalties were paid, and the case was closed August 6, 2008.

While the Utility experienced some operational deficiencies, compliance with DEP regulations has been achieved. A review of the correspondence indicates that the Utility moved in the direction of resolution of each of the issues noted by DEP. We find that circumstances showed an effort to comply, and therefore, we find that the quality of the product is satisfactory.

² See Order No. PSC-08-0763-PCO-SU, issued November 17, 2008, in Docket No. 080250-SU, In re: Application for increase in wastewater rates in Pinellas County by Mid-County Utilities, Inc.

As discussed above, the Utility experienced a number of deficiencies as noted by DEP inspections in 2006 and 2007. The issues have been resolved. The most recent inspection by the DEP in February 2008 noted some minor out-of-compliance issues. The Utility responded to the DEP with its plans for improving the plant operation to correct the deficiencies that were found. At the time of our staff's field inspection in 2009, the plant appeared to be operating normally and the site was adequately maintained. Based upon the most current information, we find that the operating conditions of the plant are satisfactory.

In its rate filing, the Utility included ten customer complaints for the 2007 test year. Complaints included sewer back-ups, noise from the wastewater plant, and odor. The Utility responded quickly to investigate each problem cited, and resolved the inquiries quickly. There is one complaint on our complaint tracking system where a customer contacted us expressing opposition to the requested rate increase.

Two letters have been received by the Commission Clerk and are contained in the docket file. Both letters oppose the rate increase, with one noting due to fixed incomes and other increases, that this is not a good time for an increase in rates. The second letter is from a manufactured home community stating that many residents live on fixed incomes and that the Utility had a rate increase that went into effect in January 2009.

We scheduled an informal customer meeting in Dunedin on February 25, 2009, to allow customers to provide input to our staff concerning the rate increase application of the Utility. No customers attended the meeting.

After a review of the complaints in the filing, the correspondence received by us, and attendance at the customer meeting, it appears that the service provided to customers is adequate. We therefore find that customer satisfaction is satisfactory.

Rate Base

We performed an audit of the Utility. Prior to our decision in this Order, the Utility agreed to or proposed certain adjustments, as follows:

Audit Finding	Wastewater
No. 1 - Decrease Plant in Service	\$385
No. 1 - Decrease Accumulated Depreciation	\$10
No. 1 - Decrease Depreciation Expense	\$23
No. 2 - Decrease CIAC	\$633
No. 3 - Decrease Accumulated Depreciation	\$3,290
No. 6 - Increase RAF Expense (TOTI)	\$7,736
AT No. 4 - Increase Plant in Service	\$18,392
AT No. 5 - Increase Transportation Expense	\$5,422

In addition, we performed an affiliate transactions (AT) audit of UI, the parent company of Mid-County and its sister companies. Based on AT Audit Finding No. 4, we find the 13-

month average rate base shall be increased by \$18,392 for vehicle cost. Based on AT Audit Finding No. 5, transportation expense shall be increased by \$5,422. The aforementioned adjustments related to rate base and operating expenses are reflected on Schedules 1-B and 3-B.

Pro Forma Plant Additions

Mid-County reflected a pro forma plant addition of \$30,000 on MFR Schedule A-3 for the "I/I Macaroni Grill L/S area." In its response to our first data request regarding this entry, the Utility stated the project was cancelled and should be removed from the filing. Therefore, we find that plant in service shall be decreased by \$30,000. Accordingly, corresponding adjustments shall also be made to decrease accumulated depreciation and depreciation expense by \$333 and \$667, respectively.

Used and Useful Percentages

Wastewater Treatment Plant

Mid-County's wastewater treatment plant is located inside the Doral Mobile Home Park community. This mobile home park and others, including Spanish Oaks, Frontier Village, Silk Oak, Serendipity, and Regency Heights developments are customers of the Utility. There are some other smaller mobile home parks, several apartment developments, single family residential, and a number of commercial customers. The permitted capacity of the advanced wastewater treatment plant is 900,000 gallons per day (gpd), based upon annual average daily flows. Treated effluent is discharged to Curlew Creek.

In the Utility's last rate case, Docket No. 060254-SU, we made a determination that the plant was 92 percent used and useful as determined in the Utility's prior rate case, Docket No. 030446-SU, even though the calculated percentage based upon flows plus growth was 76 percent. We were not persuaded that the plant was 100 percent as the Utility requested, even though the service area was nearly built out. Also, in the prior rate case, we recognized that the Utility's service area was experiencing redevelopment and additional redevelopment was expected to continue. Further, we recognized that the Utility had taken steps to reduce infiltration and inflow.

For the current rate case, the Utility proposed that that plant be considered 100 percent used and useful in recognition of the Utility's actions to reduce infiltration as much as practical. The average daily flow during the current test year of 654,413 gpd is less than the average daily flow in the prior rate case (662,537 gpd), despite modest increases in connections. The Utility believes that the downward trend in treated flows is indicative of the redevelopment of the mobile home parks in the service area with less dense housing and commercial developments, as well as: (1) the Utility's capital investment in numerous manhole repairs and replacing or relining of mains to reduce infiltration, (2) the dismantling of the poorly maintained mobile home park collection system, and (3) the replacement of mains in the new developments with materials meeting the Utility's requirements.

Using the test year flows of 654,413 gpd plus a growth allowance of 110,247 gpd, the wastewater treatment plant would be 85 percent used and useful. However, we find that the wastewater treatment plant shall be considered 92 percent used and useful, consistent with the

our finding in the prior rate cases. This finding recognizes some additional capacity is available as redevelopment and some growth in the service area occurs.

Wastewater Collection System

Mid-County states in its filing that the collection system should be considered 100 percent used and useful. While there are some pockets of undeveloped land, those areas are limited and additional collection mains must be constructed to accommodate development in those areas. Our review indicates that the collection system in place is needed to serve the current customers. There is virtually no change to the service area since the last rate case.

In the last rate case, we found that the Utility had transferred a large amount of the balance from Account 380 to Account 354 which occurred in the last month of that test year. Sufficient justification of the transferred amount was not provided, and therefore we applied the same 92 percent used and useful to Collection System Account 354 as was applied to the wastewater treatment plant discussed above.

Based upon our review of the filing, we find the collection system 100 percent used and useful, except for that portion booked in Account 354, which shall be 92 percent used and useful as determined in the last rate case.

Accordingly, we find that the wastewater treatment plant is 92 percent used and useful. We find that the collection system is 100 percent used and useful, except that portion of the collection system that is booked in Account 354, which is 92 percent used and useful. We have reduced rate base by \$272,047 and have made corresponding adjustments to reduce depreciation expense by \$12,004 and reduce property tax by \$1,422. Our adjustments to non-used and useful plant are shown on the rate base and operating income adjustment Schedules 1-B and 3-B.

Working Capital Allowance

Rule 25-30.433(2), F.A.C., requires that Class A utilities use the balance sheet method to calculate the working capital allowance. The Utility has properly filed its allowance for working capital using the balance sheet method. In MFR Schedule A-17, Mid-County calculated total company working capital as \$246,216. We agree with the Utility's calculation, except as related to deferred rate case expense. The Utility included deferred rate case expense in the amount of \$286,844. As discussed above, we find it appropriate to make adjustments to Mid-County's rate case expense, reducing the total amount to \$107,968. It is our practice to include only fifty percent of the utility's approved amount of rate case expense in the working capital calculation for Class A water and wastewater utilities.³ As such, the amount of rate case expense to be included in working capital shall be \$53,984. Accordingly, working capital shall be reduced by \$232,860 (\$286,844 less \$53,984). Therefore, we find that the appropriate allowance for working capital is \$13,356 (\$246,216 less \$232,860).

³ See Order Nos. PSC-09-0057-FOF-SU, issued January 27, 2009, in Docket No. 070293-SU, In re: Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.; PSC-08-0327-FOF-EI, issued May 19, 2008, in Docket No. 070304-EI, In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Public Utilities Company.; and PSC-01-0326-FOF-SU, issued February 6, 2001, in Docket No. 991643-SU, In re: Application for increase in wastewater rates in Seven Springs System in Pasco County by Aloha Utilities, Inc.

Rate Base

Consistent with other adjustments, the appropriate simple average rate base for the test year ending December 31, 2007, is \$2,907,990. Rate base is shown on Schedule 1-A. The adjustments are shown on Schedule 1-B.

Cost of Capital

The return on equity (ROE) included in the Utility's filing is 11.57 percent. This return is based on the application of our leverage formula at the time of the filing and an equity ratio of 43.87 percent.⁴

Based on the current leverage formula approved in Order No. PSC-08-0846-FOF-WS and an equity ratio of 43.87 percent, the appropriate ROE is 11.83 percent.⁵ We find an allowed range of plus or minus 100 basis points shall be recognized for ratemaking purposes.

Weighted Average Cost of Capital

Based upon the proper components, amounts, and cost rates associated with the capital structure for the test year ended December 31, 2007, we find that a weighted average cost of capital of 8.52 percent is appropriate. The weighted average cost of capital included in the Utility's filing is 8.48 percent. We revised the respective cost rate for common equity. We find the appropriate cost rate for common equity of 11.83 percent is discussed previously in this Order. Schedule No. 2 details our finding.

Net Operating Income

Contractual Services-Other

On MFR Schedule B-8, the Utility reflected an adjusted test year amount of \$25,126 for Contractual Services-Other, which represents an increase of \$18,872 or 301.76 percent over the prior test year. Mid-County's explanation for this increase was, "[t]emporary employment has increased the cost of other contractual services." In addition, MFR Schedule B-8, Lines 1 through 3, reflects an increase of \$34,816 or 14.29 percent for Salaries & Wages-Employees and \$8,912 or 16.67 percent for Employee Pensions & Benefits. Mid-County noted that the reason for these increases are due to "annualization, cost of living increases, and the need for additional employees."

In our first data request, we requested that the Utility provide support for its increase in temporary employment by identifying each temporary position employed during the test year and providing a detail of the duties performed and the associated cost. In its response, Mid-County

⁴ See Order No. PSC-07-0472-PAA-WS, issued June 1, 2007, in Docket No. 070006-WS, In re: Water and Wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), Florida Statutes.

⁵ See Order No. PSC-08-0846-FOF-WS, issued December 31, 2008, in Docket No. 080006-WS, In re: Water and Wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S., Florida Statutes.

failed to provide a detail of the duties performed and the associated cost. The Utility stated that \$10,910 of the difference between the prior test year and the current test year results from an allocation adjustment to allocate costs on an equivalent residential connection basis and not a customer equivalent basis; the remaining \$14,217 is what was actually booked to the general ledger during the current test year. Mid-County stated that only \$2,840 (\$3,734 booked less the credit adjustment of \$894 from the allocation adjustment) of the \$25,126 is related to temporary employment.

On April 14, 2009, the Utility submitted a memo to us wherein it provided further explanation of the costs included in the Contractual Services-Other account. In subsequent telephone conversations with Mid-County, we confirmed that the Utility's adjusted amount of \$25,126 for the test year, except for the \$2,840 related to temporary employment, was appropriate. We find that the Utility's increase of \$2,840 for temporary employment in Contractual Services-Other for the test year, in addition to a 14.29 percent increase in salaries and wages, is unsupported and excessive. Therefore, we find that that Contractual Services-Other shall be decreased by \$2,840.

Rate Case Expense

On MFR Schedule B-10, Mid-County requested total rate case expense of \$286,844 with a requested annual amortization of \$71,711 ($\$286,844 \div 4$). The Utility's total rate case expense included \$114,990 for prior unamortized rate case expense and \$171,854 for current rate case expense. It is our practice to remove the unamortized balance of prior rate cases from the rate case expense for current cases.⁶ Of the \$71,711 requested annual rate case expense, the amount related to the prior rate case is \$28,748 ($\$114,990 \div 4$). Therefore, we find that Mid-County's current annual amortization rate case expense of \$71,711 shall be reduced by \$28,748.

We requested an update of the actual rate case expense incurred, with supporting documentation, as well as the additional estimated amount necessary to complete the case. On January 7, 2009, the Utility submitted a revised MFR Schedule B-10 reflecting actual charges as of December 15, 2008, and the total estimated charges of \$168,692, or when amortized over four years, \$42,173 for annual rate case expense.

⁶ See Order No. PSC-97-1225-FOF-WU, p. 17, issued October 10, 1997, in Docket No. 970164-WU, In re: Application for increase in rates in Martin County by Hobe Sound Water Company.

	MFR		Additional	
	<u>Estimated</u>	<u>Actual</u>	<u>Estimated</u>	<u>Total</u>
Legal and Filing Fees	\$ 45,200	\$10,007	\$35,193	\$45,200
Consultant Fees – M&R	43,650	27,480	16,170	43,650
WSC Fees – In House	60,700	18,881	38,657	57,538
Filing Fee	4,000	0	0	4,000
Travel – WSC	3,200	56	3,144	3,200
Miscellaneous	12,000	254	11,746	12,000
Notices	<u>3,104</u>	<u>222</u>	<u>2,882</u>	<u>3,104</u>
Total Rate Case Expense	<u>\$171,854</u>	<u>\$56,900</u>	<u>\$107,972</u>	<u>\$168,692</u>

Pursuant to Section 367.081(7), F.S., we shall determine the reasonableness of rate case expenses and shall disallow all rate case expenses determined to be unreasonable. In those cases where rate case expense has not been supported by detailed documentation, our practice has been to disallow some portion or remove all unsupported amounts.⁷ It is the Utility’s burden to justify its requested costs. Florida Power Corp. v. Cresse, 413 So. 2d 1187, 1191 (Fla. 1982). We have examined the requested actual expenses, supporting documentation, and estimated total expenses as listed above for the current rate case. Based on our review, we find that several adjustments are necessary to Mid-County’s revised rate case expense estimate.

The first adjustment relates to costs incurred to correct deficiencies in the MFR filing. Based on our review of invoices from Rose, Sundstrom & Bently, LLP, a combined amount of \$278 was billed for correcting the MFR deficiencies. We have previously disallowed rate case expense associated with correcting MFR deficiencies because of duplicate filing costs.⁸ Accordingly, we find that \$278 shall be removed from legal fees.

The second adjustment relates to the Utility’s estimated legal fees for Rose, Sundstrom & Bently, LLP to complete the rate case. As of March 13, 2009, Rose, Sundstrom & Bently, LLP estimated 52.1 hours or \$16,932.50 (52.1 hours x \$325) to complete the rate case. On March 31, 2009, Mr. Martin Freidman of Rose Sundstom & Bently, LLP informed our staff via email that his hourly rate as of January 1, 2009, is \$320 per hour. Accordingly, the estimated cost to complete the case shall be reduced by \$5 per hour or \$260 (52.1 hours x \$5). Of the 52.1 hours estimated to complete the case, fifteen hours is to prepare for and attend Agenda Conference and discuss the Agenda with client and our staff. Our practice has been to allow fourteen hours to travel and attend Agenda Conference. In this case, Mid-County’s counsel is representing another

⁷ See Order Nos. PSC-94-0075-FOF-WS, issued January 21, 1994, in Docket No. 921261-WS, In re: Application for a Rate Increase in Lee County by Harbor Utilities Company, Inc.; PSC-96-0629-FOF-WS, issued May 10, 1996, in Docket No. 950515-WS, In re: Application for staff-assisted rate case in Martin County by Laniger Enterprises of America, Inc.; and PSC-96-0860-FOF-SU, issued July 2, 1996, in Docket No. 950967-SU, In re: Application for staff-assisted rate case in Highlands County by Fairmount Utilities, the 2nd, Inc. We note that, in all of these cases, we removed the entire unsupported amounts.

⁸ See Order Nos. PSC-05-0624-PAA-WS, issued June 7, 2005, in Docket No. 040450-WS, In re: Application for rate increase in Martin County by Indiantown Company, Inc.; and PSC-01-0326-FOF-SU, issued February 6, 2001, in Docket No. 991643-SU, In Re: Application for increase in wastewater rates in Seven Springs System in Pasco County by Aloha Utilities, Inc.

UI company, Tierra Verde Utilities, Inc., at the same Agenda Conference. Therefore, we find that the cost to attend Agenda Conference shall be shared by both Utilities, and the estimated fifteen hours shall be reduced to seven for each Utility. Accordingly, legal fees shall be reduced by \$2,560 (8 x \$320). We find that the remaining 45 hours is a reasonable amount of time to respond to data requests, conference with the client and consultants, review our staff's recommendation, travel to the customer meeting, and attend to miscellaneous post-PAA matters. In total, we find that the estimated legal fees shall be reduced by an additional \$2,820 (\$260 + \$2,560).

The third adjustment relates to the Utility's estimated consultant fees for Mr. Frank Seidman with Management & Regulatory Consultants, Inc., to complete the rate case. As of March 13, 2009, Mr. Seidman estimated 111 hours or \$16,095 (111 hours x \$145) to complete the rate case. Of the 111 hours estimated, 107 hours was allocated to, "[a]ssist with MFRs, data requests, COAs⁹ and documentation requests; respond to formal data requests from staff; respond to informal requests for information from staff; assess recommendation and the order; and, U&U Analysis." The remaining four hours were allocated to prepare for and attend Agenda Conference. At this time in the rate case process, there are no outstanding data requests that require a response and no justification was provided for the estimated number of hours to complete the PAA case. According to the analysis of rate case expense as of December 15, 2008, Mr. Seidman's services included used and useful analysis, assisting with MFRs, data requests, and audit facilitation. We find the majority of the work performed by Mr. Seidman was accounted for in the \$27,480 total provided by Mid-County in the updated rate case expense. We find that four hours is a reasonable amount of time to prepare for and attend the Agenda Conference for this docket. This is consistent with the hours allowed for completion by the us in the prior cases, including Indiantown Company, Inc. and Mid-County Services, Inc. last rate case.¹⁰ Therefore, we find that rate case expense shall be decreased by \$15,515 (107 hours x \$145).

The fourth adjustment relates to the estimated costs to complete this case by Water Service Corporation (WSC) employees. In Mid-County's updated rate case expense analysis, the Utility estimated a total of 1,500 hours and \$60,700 for WSC employees to process the entire PAA case. Mid-County did not include an estimate for the number of work hours needed to complete the case on a going-forward basis. The Utility reported that it has already incurred a cost of \$18,881 for 489 hours worked through November 30, 2008. However, Mid-County failed to provide any detailed documentation of what tasks were involved for each WSC employee or the hours needed to assist with MFRs, respond to data requests, and facilitate the audit. In addition, there were no timesheets provided to show actual hours worked. Therefore, we have no basis to determine whether the individual hours estimated were reasonable.

We reviewed the requested expenses and find the estimate reflects an overstatement. As discussed above, it is the Utility's burden to justify its requested costs. In those cases where rate case expense has not been supported by detailed documentation, our practice has been to

⁹ Commission Ordered Adjustments

¹⁰ See Order Nos. PSC-05-0624-PAA-WS, issued June 7, 2005, in Docket No. 040450-WS, In re: Application for rate increase in Martin County by Indiantown Company, Inc.; and PSC-04-0819-PAA-SU, issued August 23, 2004, in Docket No. 030446-SU, In re: Application for rate increase in Pinellas County by Mid-County Services, Inc.

disallow some portion or remove all unsupported amounts.¹¹ By applying the individual employee rates and the average number of hours worked by WSC employees, we find that the approved WSC fees to complete the case shall be \$15,746. We find that 400 hours to complete the PAA case in addition to the 489 hours already incurred is reasonable to allow Mid-County to respond to data requests, facilitate the audit, and review the PAA recommendation. Mid-County has already incurred \$18,881 through November 30, 2008. Our estimated total expense for WSC employees is \$34,627 (\$18,881 + \$15,746). Thus, the Utility's revised expense for WSC employees of \$57,538 shall be decreased by \$22,911 (\$57,538 less \$34,627).

The fifth adjustment addresses WSC travel expenses. In its updated rate case expense, Mid-County reflects actual and estimated costs of \$56 and \$3,200, respectively, for travel. Based on several previous UI rates cases, it is our understanding that for PAA rate cases UI does not send a representative from their Illinois office to attend the Agenda Conference. Therefore, the entire amount of travel expense shall be removed. Accordingly, we find that rate case expense shall be decreased by \$3,200.

The sixth adjustment relates to WSC expenses for FedEx Corporation (FedEx), copies and other miscellaneous costs. In its revised MFR Schedule B-10, Mid-County reflects actual and estimated costs of \$254 and \$12,000, respectively, in its updated rate case expense analysis. The Utility did not provide a breakdown of these costs. UI has requested and received authorization from us to keep its records outside the state in Illinois, pursuant to Rule 25-30.110(2)(b), F.A.C. However, when a utility receives this authorization, it is required to reimburse us for the reasonable travel expense incurred by each of our representatives during the review and audit of the books and records. Further, these costs are not included in rate case expense or recovered through rates. By Order No. PSC-93-1713-FOF-SU, p. 19., issued November 30, 1993, in Docket No. 921293-SU, In Re: Application for a Rate Increase in Pinellas County by Mid-County Services, Inc., we found that the Utility also requested recovery of the actual travel costs it paid for our auditors. Because Mid-County's books are maintained out of state, the auditors had to travel out of state to perform the audit. We have consistently disallowed this cost in rate case expense.¹² We find that that the requested amount of shipping costs in this rate case directly relates to the records being retained out of state. The Utility typically ships its MFRs, answers to data requests, etc. to its law firm located in central Florida, then the documents are submitted to us. We do not believe that the ratepayers should bear the related costs of having the records located out of state. This is a decision of the shareholders of UI, and the Utility should bear the related costs. Therefore, we find that miscellaneous rate case expense shall be decreased by \$12,000.

The seventh adjustment relates to the filing fee. In its MFRs, the Utility estimated \$4,000 for the filing fee. The filing fee for a Class A water and wastewater utility is \$3,500. The filing

¹¹ See Order Nos. PSC-94-0075-FOF-WS, issued January 21, 1994, in Docket No. 921261-WS, In re: Application for a Rate Increase in Lee County by Harbor Utilities Company, Inc.; PSC-96-0629-FOF-WS, issued May 10, 1996, in Docket No. 950515-WS, In re: Application for staff-assisted rate case in Martin County by Laniger Enterprises of America, Inc.; and PSC-96-0860-FOF-SU, issued July 2, 1996, in Docket No. 950967-SU, In re: Application for staff-assisted rate case in Highlands County by Fairmount Utilities, the 2nd, Inc. We note that, in all of these cases, we removed the entire unsupported amounts.

¹² See Order Nos. 25821, issued February 27, 1991, in Docket No. 910020-WS, In re: Petition for rate increase in Pasco County by Utilities, Inc. of Florida, and 20066, issued September 26, 1988, in Docket No. 870981-WS, In re: Application of Miles Grant Water and Sewer Company for an increase in Water and Sewer Rates in Martin County.

fee was paid to us by Rose, Sundstrom & Bently, LLP, on behalf of Mid-County. Rose, Sundstrom & Bently, LLP, included the \$3,500 filing fee in its legal fees billed to the Utility, and consequently, the fee is already included in the rate case expense. Therefore, we find the rate case expense shall be reduced by \$4,000.

In summary, we find that Mid-County's revised rate case expense of \$168,692 shall be decreased by \$60,724 for MFR deficiencies, and for unreasonable and unsupported rate case expense. The appropriate rate case expense shall be \$107,968. A breakdown of rate case expense is as follows:

<u>Description</u>	<u>MFR Estimated</u>	<u>Utility Revised Actual & Estimated</u>	<u>Commission Adjustments</u>	<u>Total</u>
Legal Fees	\$45,200	\$45,200	(\$3,098)	\$42,102
Consultant Fees-M&R	43,650	43,650	(15,515)	28,135
WSC In-House Fees	60,700	57,538	(22,911)	34,627
Filing Fee (\$3,500 included in legal fees)	4,000	4,000	(4,000)	0
WSC Travel	3,200	3,200	(3,200)	0
Miscellaneous	12,000	12,000	(12,000)	0
Customer Notices & Postage	<u>3,104</u>	<u>3,104</u>	<u>0</u>	<u>3,104</u>
Total Rate Case Expense	<u>\$171,854</u>	<u>\$168,692</u>	<u>(\$60,724)</u>	<u>\$107,968</u>
Annual Amortization	<u>\$42,964</u>	<u>\$42,173</u>	<u>(\$15,181)</u>	<u>\$26,992</u>

In its MFRs, Mid-County requested a current rate case expense of \$171,854, or an annual expense of \$42,964. Subsequently, the Utility filed a revised rate case expense of \$168,692, or an annual expense of \$42,173. To adjust for the revised rate case expense, we find that the annual expense first be reduced by \$791 (\$42,964 less \$42,173). Based on the revised data provided by the Utility and our adjustments discussed above, we determine the annual rate case expense to be \$26,992. We find that the revised rate case expense shall be reduced by \$15,181 (\$42,173 less \$26,992). In total, we find that the current rate case expense shall be reduced by \$15,972 (\$791 + \$15,181).

Based on the aforementioned, we find that the appropriate amount of rate case expense shall be \$107,968. This expense shall be recovered over four years for an annual expense of \$26,992. The Utility's requested annual rate case expense of \$71,711 shall be reduced by \$28,748 to remove prior rate case expense of \$28,748, and reduced by \$15,972 for our adjustments to current rate case expense, for a total reduction of \$44,720.

Test Year Wastewater Operating Income

This issue is subject to resolution of other issues related to revenues and operating expenses and rate base, and is primarily a "fall-out" number. Based on the adjustments discussed in previous issues, we find that the test year operating income before any provision for increased revenues shall be a net loss of \$59,407 for wastewater. The schedule for wastewater operating income is attached as Schedule No. 3-A, and the adjustments are shown on Schedule No. 3-B.

Revenue Requirement

The issue is a summary computation that is subject to the resolution of other issues related to rate base, and cost of capital, and is primarily a "fall-out" number. The computation of the revenue requirement is shown on Schedule No. 3-A and is \$2,028,774 which represents an increase of \$316,160 or 18.46 percent.

Rates and Charges

As discussed above, we found the revenue requirement to be \$2,028,774. After excluding miscellaneous service charges of \$1,350, the revenue to be recovered through rates shall be \$2,027,424.

Mid-County's current wastewater rate structure is a base facility charge and gallonage charge with a 20,000 bi-monthly gallonage cap on residential customers. The Utility's current rate structure contains a differential in the gallonage charge between residential and general service. This rate differential is designed to recognize that approximately 80 percent of a residential customer's water usage will not return to the wastewater system, whereas, approximately 96 percent of multi-family and general service water usage is returned. This wastewater gallonage rate differential is employed by us in wastewater rate settings and is widely recognized as an industry standard. Based on the above, we find that the gallonage rate differential shall continue to be used in this case, consistent with the differential approved in the last case.

The Utility shall file revised tariff sheets and a proposed customer notice to reflect the our approved rates. The approved rates shall be effective for service rendered on or after the stamped approval date of the revised tariff sheets pursuant to Rule 25-40.475(1), F.A.C. The rates shall not be implemented until our staff has approved the proposed customer notice. The utility shall provide proof of the date notice was given no less than 10 days after the date of the notice.

A comparison of the Utility's original and requested rates, the approved interim rates, and the approved PAA rates are shown on Schedule No. 4.

No Refund Requirement

By Order No. PSC-08-0763-PCO-SU, issued November 17, 2008, we authorized the collection of interim wastewater rates, subject to refund, pursuant to Section 367.082, F.S. The approved interim revenue requirement is \$1,731,567 for wastewater, which represents an increase of \$62,872 or 3.63 percent.

According to Section 367.082, F.S., any refund should be calculated to reduce the rate of return of the Utility during the pendency of the proceeding to the same level within the range of the newly authorized rate of return. Adjustments made in the rate case test period that do not relate to the period interim rates are in effect should be removed. Rate case expense is an example of an adjustment which is recovered only after final rates are established.

In this proceeding, the test period for establishment of interim and final rates is the simple average ending December 31, 2007. Mid-County's approved interim rates did not include any provisions for pro forma or projected operating expenses or plant. The interim increase was designed to allow recovery of actual interest costs at the floor of the last authorized range for equity earnings.

Using the principles discussed above, we calculated a revised interim revenue requirement of \$1,999,160 utilizing the same data used to establish final rates. Rate case expense was excluded because this item is prospective in nature and did not occur during the interim collection period.

Because the \$1,731,567 interim wastewater revenue requirement granted in Order No. PSC-08-0762-PCO-SU for the test year is less than the revised revenue requirement for the interim collection period of \$1,999,160, we find that no refund is required for wastewater revenues collected under interim rates.

Rate Case Expense Reduction

Section 367.0816, F.S., requires rates to be reduced immediately following the expiration of the four-year amortization period by the amount of the rate case expense previously included in the rates. The reduction shall reflect the removal of revenues associated with the amortization of rate case expense and the gross-up for regulatory assessment fees which is \$28,263 for wastewater. The decreased revenue results in our approved rate reduction shown on Schedule No. 4.

The Utility shall file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates shall be effective for service rendered on or after the stamped approval date of the revised tariff sheets pursuant to Rule 25-40.475(1), F.A.C. The rates shall not be implemented until our staff has approved the proposed customer notice. Mid-County shall provide proof of the date notice was given no less than 10 days after the date of the notice.

If the Utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data shall be filed for the price index and/or pass-through increase or decrease, and for the reduction in the rates due to the amortized rate case expense.

Proof of Book Adjustments

To ensure that the Utility adjusts its books in accordance with our decision, Mid-County shall provide proof, within 90 days of this order that the adjustments for all the applicable National Association of Regulatory Utility Commissioners Uniform System of Accounts primary accounts have been made.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the application for increased wastewater rates of Mid-County Services, Inc. is approved as set forth in the body of this Order. It is further

ORDERED that each of the findings made in the body of this order is hereby approved in every respect. It is further

ORDERED that the schedules and attachments to this Order are incorporated by reference herein. It is further

ORDERED that Mid-County Services, Inc. shall file revised wastewater tariff sheets and a proposed customer notice to reflect the approved wastewater rates shown on Schedule 4. It is further

ORDERED that the tariffs shall be approved upon our staff's verification that the tariffs are consistent with our decision herein. It is further

ORDERED that the approved rates shall be effective for service rendered on or after the stamped approval date of the revised tariff sheets pursuant to Rule 25-30.475(1), F.A.C. It is further

ORDERED that the approved wastewater rates shall not be implemented until our staff has approved the proposed customer notice and the notice has been received by the customers as set forth in the body of this Order. It is further

ORDERED that Mid-County Services, Inc. shall provide proof of the date notice was given no less than ten days after the date of the notice. It is further

ORDERED that the wastewater rates shall be reduced as shown on Schedule No. 4 to remove rate case expense, grossed-up for regulatory assessment fees, which is being amortized over a four-year period. It is further

ORDERED that the decrease in rates shall become effective immediately following the expiration of the four-year rate case expense recovery period, pursuant to Section 367.0816, F.S. The Utility shall file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. It is further

ORDERED that if the Utility files this reduction in conjunction with a price index or pass-through rate adjustment, separate data shall be filed for the price index and/or pass-through increase or decrease, and for the reduction in the rates due to the amortized rate case expense. It is further

ORDERED that Mid-County Services, Inc. shall provide proof, within 90 days of the final order in this docket, that the adjustments for all the applicable National Association of Regulatory Utility Commissioners Uniform System of Accounts primary accounts have been made. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, the docket shall remain open for Commission staff's verification that the revised tariff sheets and customer notice have been filed by the Utility and approved by Commission staff, and that the interim refund has been completed and verified by Commission staff. Once these actions are complete, this docket shall be closed administratively, and the corporate undertaking shall be released.

By ORDER of the Florida Public Service Commission this 27th day of May, 2009.

ANN COLE
Commission Clerk

By: 
Dorothy E. Mehasco
Chief Deputy Commission Clerk

(S E A L)

JEH

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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 shall not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our action, except for the actions finding an interim refund is not required and approving a four-year rate reduction, are preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on June 17, 2009. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

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 Office of Commission Clerk, 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 wastewater utility by filing a notice of appeal with the Office of Commission Clerk 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 Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

Mid-County Services, Inc. Schedule of Wastewater Rate Base Test Year Ended 12/31/07				Schedule No. 1-A Docket No. 080250-SU	
Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Commission Adjust- ments	Commission Adjusted Test Year
1 Plant in Service	\$6,244,515	\$305,162	\$6,549,677	(\$11,993)	\$6,537,684
2 Land and Land Rights	20,148	0	20,148	0	20,148
3 Non-used and Useful Components	0	0	0	(272,407)	(272,407)
4 Accumulated Depreciation	(1,984,790)	(30,393)	(2,015,183)	3,633	(2,011,550)
5 CIAC	(3,025,365)	0	(3,025,365)	633	(3,024,732)
6 Amortization of CIAC	1,636,280	9,211	1,645,491	0	1,645,491
7 CWIP	46,438	(46,438)	0	0	0
8 Working Capital Allowance	<u>0</u>	<u>246,216</u>	<u>246,216</u>	<u>(232,860)</u>	<u>13,356</u>
9 Rate Base	<u>\$2,937,226</u>	<u>\$483,758</u>	<u>\$3,420,984</u>	<u>(\$512,994)</u>	<u>\$2,907,990</u>

Mid-County Services, Inc.
Adjustments to Rate Base
Test Year Ended 12/31/07

Schedule No. 1-B
Docket No. 080250-SU

Explanation	Wastewater
<u>Plant In Service</u>	
1 To reflect reduction of capitalized time (AF No. 1)	(\$385)
2 To reflect adjustment for vehicle cost (Allocation AF No. 4)	18,392
3 To remove discontinued Macaroni Grill project (Data Request No. 1)	<u>(30,000)</u>
Total	<u>(\$11,993)</u>
<u>Non-used and Useful</u>	
To reflect net non-used and useful adjustment	<u>(\$272,407)</u>
<u>Accumulated Depreciation</u>	
1 To reflect corresponding adjustments (AF No. 1)	\$10
2 To reflect adjustment from prior order and rollforwards (AF No. 3)	3,290
3 To reflect corresponding adjustments for decrease in plant (DR No. 1)	<u>333</u>
Total	<u>\$3,633</u>
<u>CIAC</u>	
To reflect reduction of tap fees (AF No. 2)	<u>\$633</u>
<u>Working Capital</u>	
To reflect appropriate amount of deferred rate case expense	<u>(\$232,860)</u>

Mid-County Services, Inc.
Capital Structure-Simple Average
Test Year Ended 12/31/07

Schedule No. 2
Docket No. 080250-SU

Description	Total Capital	Specific Adjustments	Subtotal Adjusted Capital	Prorata Adjustments	Capital Reconciled to Rate Base	Ratio	Cost Rate	Weighted Cost	
Per Utility									
1 Long-term Debt	\$180,000,000	\$0	\$180,000,000	(\$178,173,753)	\$1,826,247	53.38%	6.65%	3.55%	
2 Short-term Debt	1,530,769	0	1,530,769	(1,515,238)	15,531	0.45%	12.34%	0.06%	
3 Preferred Stock	0	0	0	0	0	0.00%	0.00%	0.00%	
4 Common Equity	141,856,780	0	141,856,780	(140,417,527)	1,439,253	42.07%	11.57%	4.87%	
5 Customer Deposits	0	0	0	0	0	0.00%	6.00%	0.00%	
6 Deferred Income Taxes	<u>139,952</u>	<u>0</u>	<u>139,952</u>	<u>0</u>	<u>139,952</u>	<u>4.09%</u>	0.00%	<u>0.00%</u>	
7 Total Capital	<u>\$323,527,501</u>	<u>\$0</u>	<u>\$323,527,501</u>	<u>(\$320,106,518)</u>	<u>\$3,420,983</u>	<u>100.00%</u>		<u>8.47%</u>	
Per Commission									
8 Long-term Debt	\$180,000,000	\$0	\$180,000,000	(\$178,459,289)	\$1,540,711	52.98%	6.65%	3.52%	
9 Short-term Debt	1,530,769	0	1,530,769	(1,517,666)	13,103	0.45%	12.34%	0.06%	
10 Preferred Stock	0	0	0	0	0	0.00%	0.00%	0.00%	
11 Common Equity	141,856,780	0	141,856,780	(140,642,556)	1,214,224	41.75%	11.83%	4.94%	
12 Customer Deposits	0	0	0	0	0	0.00%	6.00%	0.00%	
13 Deferred Income Taxes	<u>139,952</u>	<u>0</u>	<u>139,952</u>	<u>0</u>	<u>139,952</u>	<u>4.81%</u>	0.00%	<u>0.00%</u>	
14 Total Capital	<u>\$323,527,501</u>	<u>\$0</u>	<u>\$323,527,501</u>	<u>(\$320,619,511)</u>	<u>\$2,907,990</u>	<u>100.00%</u>		<u>8.52%</u>	
						LOW	HIGH		
RETURN ON EQUITY						<u>10.83%</u>	<u>12.83%</u>		
OVERALL RATE OF RETURN						<u>8.10%</u>	<u>8.94%</u>		

Mid-County Services, Inc.
Statement of Wastewater Operations
Test Year Ended 12/31/07

Schedule No. 3-A
Docket No. 080250-SU

Description	Test Year Per Utility	Utility Adjust- ments	Adjusted Test Year Per Utility	Commission Adjust- ments	Commission Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$1,624,065</u>	<u>\$474,837</u>	<u>\$2,098,902</u>	<u>(\$386,288)</u>	<u>\$1,712,614</u>	<u>\$316,160</u>	<u>\$2,028,774</u>
						<u>18.46%</u>	
Operating Expenses							
2 Operation & Maintenance	\$1,308,988	\$127,116	\$1,436,104	<u>(\$42,138)</u>	<u>\$1,393,966</u>		<u>\$1,393,966</u>
3 Depreciation	141,732	32,815	174,547	(12,694)	161,853		161,853
4 Amortization	0	0	0	0	0		0
5 Taxes Other Than Income	104,113	31,294	135,407	(11,069)	124,338	<u>14,277</u>	<u>138,565</u>
6 Income Taxes	<u>(5,751)</u>	<u>68,494</u>	<u>62,743</u>	<u>(89,693)</u>	<u>(26,950)</u>	<u>113,617</u>	<u>86,668</u>
7 Total Operating Expense	<u>\$1,549,082</u>	<u>\$259,719</u>	<u>\$1,808,801</u>	<u>(\$155,594)</u>	<u>\$1,653,207</u>	<u>\$127,845</u>	<u>\$1,781,052</u>
8 Operating Income	<u>\$74,983</u>	<u>\$215,118</u>	<u>\$290,101</u>	<u>(\$230,694)</u>	<u>\$59,407</u>	<u>\$188,316</u>	<u>\$247,722</u>
9 Rate Base	<u>\$2,937,226</u>		<u>\$3,420,984</u>		<u>\$2,907,990</u>		<u>\$2,907,990</u>
10 Rate of Return	<u>2.55%</u>		<u>8.48%</u>		<u>2.04%</u>		<u>8.52%</u>

Mid-County Services, Inc.
Adjustment to Operating Income
Test Year Ended 12/31/07

Schedule 3-B
Docket No. 080250-SU

Explanation	Wastewater
<u>Operating Revenues</u>	
Remove requested final revenue increase	<u>(\$386,288)</u>
<u>Operation and Maintenance Expense</u>	
1 To reduce temporary employment in Contractual Services - Other	(\$2,840)
2 To increase transportation expense (Allocation AF No. 5)	5,422
3 To reflect adjustments to rate case expense	(44,720)
Total	<u>(\$42,138)</u>
<u>Depreciation Expense - Net</u>	
1 To reflect corresponding adjustments (AF No. 1)	(\$23)
2 To reflect corresponding adjustments to decrease in plant (DR No. 1)	(667)
3 To remove non-U&U depreciation expense	(12,004)
Total	<u>(\$12,694)</u>
<u>Taxes Other Than Income</u>	
1 To increase RAFs in test year (AF No. 6)	\$7,736
2 RAFs on revenue adjustments above	(17,383)
3 To reflect property tax adjustment due to non U&U	(1,422)
Total	<u>(\$11,069)</u>

**Mid-County Services, Inc.
 Wastewater Bi-Monthly Service Rates
 Test Year Ended 12/31/07**

**Schedule No. 4
 Docket No. 080250-SU**

	Rates Prior to Filing	Commission Approved Interim	Utility Requested Final	Commission Approved Final	Four-year Rate Reduction
<u>Residential</u>					
Base Facility Charge All Meter Sizes:	\$32.22	\$33.39	\$39.49	\$38.27	\$0.53
Gallage Charge per 1,000 gallons (20,000 gallon bi-monthly cap)	\$3.23	\$3.35	\$3.96	\$3.93	\$0.05
<u>General Service</u>					
Base Facility Charge by Meter Size:					
5/8" x 3/4"	\$32.22	\$33.39	\$39.49	\$38.27	\$0.53
1"	\$82.68	\$85.68	\$101.34	\$98.20	\$1.37
1-1/2"	\$186.04	\$192.80	\$228.02	\$220.96	\$3.08
2"	\$330.74	\$342.76	\$405.37	\$392.82	\$5.47
2" (UI)	\$330.74	\$342.76	\$405.37	\$392.82	\$5.47
3"	\$744.37	\$771.42	\$912.33	\$884.09	\$12.32
4"	\$1,322.95	\$1,371.02	\$1,621.46	\$1,571.28	\$21.89
6"	\$2,977.06	\$3,085.24	\$3,648.80	\$3,535.87	\$49.26
Gallage Charge per 1,000 Gallons	\$3.88	\$4.02	\$4.76	\$4.72	\$0.07
<u>Multi-Residential - Metered</u>					
Base Facility Charge by Meter Size:					
Flat Rate	\$63.36	\$65.66	\$77.66	\$75.26	\$1.05
5/8" x 3/4"	\$32.22	\$33.39	\$39.49	\$38.27	\$0.53
1"	\$82.68	\$85.68	\$101.34	\$98.20	\$1.37
1-1/2"	\$186.04	\$192.80	\$228.02	\$220.96	\$3.08
2"	\$330.74	\$342.76	\$405.37	\$392.82	\$5.47
3"	\$744.37	\$771.42	\$912.33	\$884.09	\$12.32
4"	\$1,322.95	\$1,371.02	\$1,621.46	\$1,571.28	\$21.89
6"	\$2,977.06	\$3,085.24	\$3,648.80	\$3,535.87	\$49.26
Gallage Charge per 1,000 Gallons	\$4.65	\$4.82	\$5.70	\$5.66	\$0.08
Typical Residential Bills 5/8" x 3/4" Meter					
3,000 Gallons	\$41.91	\$43.44	\$51.37	\$50.07	
5,000 Gallons	\$48.37	\$50.14	\$59.29	\$57.94	
10,000 Gallons	\$64.52	\$66.89	\$79.09	\$77.61	
(Gallage Cap - 20,000 Gallons Bi-Monthly)					