

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of increase in miscellaneous service charges by Heather Hills Estates Utilities, LLC. | DOCKET NO. 100396-WS
ORDER NO. PSC-10-0699-TRF-WS
ISSUED: November 29, 2010

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman
LISA POLAK EDGAR
NATHAN A. SKOP
RONALD A. BRISÉ

ORDER APPROVING MISCELLANEOUS SERVICE CHARGES
AND AFTER-HOUR CHARGES

BY THE COMMISSION:

Background

Heather Hills Estates Utilities, LLC (Utility) is a Class C water and wastewater utility serving approximately 354 water and wastewater customers in Manatee County. On August 16, 2010, we approved a transfer of certificates from Keith & Clara Starkey d/b/a Heather Hills Estates to Heather Hills Estates Utilities, LLC. The Utility's 2009 Annual Report indicates that the Utility's operating revenue was \$48,523 for the water system and \$73,774 for the wastewater system.

On September 10, 2010, the Utility filed an application for approval of an increase in miscellaneous service charges for its water and wastewater operations. In addition, the Utility requested new after-hour charges. We have jurisdiction pursuant to Section 367.091, Florida Statutes (F.S.).

Miscellaneous Service Charges

Pursuant to Rule 25-30.460, Florida Administrative Code (F.A.C.), all water and wastewater utilities may apply for miscellaneous service charges. These charges include initial connections, normal connections, violation connections, and premises visit charges. Furthermore, pursuant to Rule 25-30.460(2), F.A.C., a utility may request an additional charge (after hours charge) for overtime when the customer requests that the service be performed after normal working hours. The after-hours charge may be at the same rate specified for the existing charge during normal working hours. If the utility seeks a charge other than the normal working hours charge, the utility must file cost support. The Utility's request to increase its miscellaneous service charges and add after-hour charges was accompanied by its reasons for requesting the changes, as well as the cost justification required by Section 367.091, F.S.

DOCUMENT NUMBER-DATE:

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FPSC-COMMISSION CLERK

The Utility's current miscellaneous service charges were approved by Order No. PSC-96-0434-FOF-WS, issued March 28, 1996.¹ The miscellaneous service charges have not been updated since that time. The Utility has indicated that the cost for fuel and labor has risen substantially over the years. In addition, the Utility has indicated that the frequency of calls from customers have increased after normal working hours. Therefore, the Utility believes it is necessary to increase its miscellaneous service charges and implement after-hour charges to cover the cost of time spent during after hours. The Utility's cost estimates for the current and proposed charges for initial connection, normal reconnection, violation, and premises visits provided by the Utility are shown below.

During Business Hours	Cost		After Hours	Cost
Initial Connection and Normal Reconnection Labor (\$28.00/hr. x .7 hr.)	\$19.60		Initial Connection and Normal Reconnection Labor (\$42.00/hr. x .8 hr.) ²	\$33.60
Transportation	\$ 6.00		Transportation	\$ 6.00
Total	\$25.60		Total	\$39.60

The Utility's current charge for the initial connection and normal reconnection is \$10.00. The Utility is requesting to increase this charge to \$26.00 during normal working hours, and \$40.00 after normal working hours.

During Business Hours	Cost		After Hours	Cost
Violation Reconnection Labor (\$28.00/hr. x .5 hr)	\$14.00		Violation Reconnection Labor (\$42.00/hr. x .6 hr)	\$25.20
Transportation	\$ 6.00		Transportation	\$ 6.00
Additional Administrative time Labor (\$28.00/hr. x .4 hr)	\$11.20		Additional Administrative time Labor (\$28.00/hr. x .4 hr)	\$11.20
Total	\$31.20		Total	\$42.40

¹ Docket No. 951533-WS, In re: Application for certificates to provide water and wastewater service in Manatee County by Keith & Clara Starkey d/b/a Heather Hills Estates

² Represents time-and-a-half wage and the additional time it takes an employee to get to the customer's property after hours.

The Utility's current charge for the violation reconnection charge is \$15.00. The Utility is requesting to increase this charge to \$31.00 during normal working hours, and \$42.00 after normal working hours.

During Business Hours	Cost		After Hours	Cost
Premises Visit			Premises Visit	
Labor (\$28.00/hr. x .3 hr)	\$ 8.40		Labor (\$42.00 hr. x .5 hr)	\$21.00
Transportation	\$ 6.00		Transportation	\$ 6.00
Total	\$14.40		Total	\$27.00

The Utility's current charge for a premises visit charge is \$5.00. The Utility is requesting to increase this charge to \$14.00 during normal working hours, and \$27.00 after normal working hours.

The Utility's proposed miscellaneous service charges are based on the hourly rate of the Utility's employee and contractor. The Utility will be charging miscellaneous service charges when a customer requests the service or is responsible for the service. Also, the miscellaneous service charges are intended to place the burden of the charges on the cost-causer rather than the general body of ratepayers.

We find that the increased charges are cost-based, reasonable, and consistent with fees we have approved for other utilities.³ Based on the above, we determine that the Utility's proposed miscellaneous service charges shall be approved so that the Utility is able to recover the current costs of performing these services. Within five working days of the issuance of this order, the Utility shall provide a proposed customer notice of the approved charges for our staff's review and approval. Once our staff has approved the proposed customer notice, the Utility may choose to either mail the notice separately to customers or insert it with the next billing cycle. Within five days after the notice is given, the Utility shall file an affidavit affirming that the notice has been given to customers of the approved charges. The tariff sheet containing the approved miscellaneous service charges and the after hour charges shall become effective for services rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Heather Hills Estates Utilities, LLC's request to increase its miscellaneous service charges for its water and

³ See Order Nos. PSC-10-0168-PAA-WU, issued March 23, 2010, in Docket No. 090182-SU, In re: Application for increase in wastewater rates in Pasco County by Ni Florida, LLC.; and PSC-09-0752-PAA-WU, issued November 16, 2009, in Docket No. 090185-WU, In re: Application for grandfather certificate to operate water utility in St. Johns County by Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility.

wastewater operations and its request for after-hour charges is hereby approved as shown in the body of this Order. It is further

ORDERED that within five working days of the issuance of this Order, Heather Hills Estates Utilities, LLC shall provide a proposed customer notice of the approved charges for our staff's review and approval. It is further

ORDERED that once our staff has approved the proposed customer notice, the Utility may choose to either mail the notice separately to customers or insert it with the next billing cycle. It is further

ORDERED that within five days after the notice is given, Heather Hills Estates Utilities, LLC shall file an affidavit affirming that the notice has been given to customers of the approved charges. It is further

ORDERED that the tariff sheets containing the approved miscellaneous service charges and the after hour charges shall become effective for services rendered on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, F.A.C. It is further

ORDERED that this docket shall remain open for our staff's verification that the revised tariff sheets and customer notice have been filed by the utility and approved by our staff. It is further

ORDERED that if a protest is filed within 21 days of the issuance date of the Order, the tariff shall remain in effect with all increased charges held subject to refund pending resolution of the protest, and this docket shall remain open. It is further

ORDERED that if no timely protest is filed, a consummating order shall be issued and, once our staff verifies that the notice of the change in miscellaneous service charges and after hour charges has been given to customers, the docket shall be administratively closed.

By ORDER of the Florida Public Service Commission this 29th day of November, 2010.



ANN COLE
Commission Clerk

(S E A L)

ELS

NOTICE OF FURTHER PROCEEDINGS

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 should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

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.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 20, 2010.

In the absence of such a petition, this Order shall become final and effective 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.