

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for purchased  
wastewater treatment pass-  
through rate adjustment in Bay  
County by Forest Shores  
Utilities, Inc.

DOCKET NO. 971347-SU  
ORDER NO. PSC-97-1504-FOF-SU  
ISSUED: November 25, 1997

The following Commissioners participated in the disposition of  
this matter:

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

ORDER APPROVING TARIFF

BY THE COMMISSION:

BACKGROUND

Forest Shores Utilities, Inc. (Forest Shores or utility) is a Class C wastewater utility, located in Bay County. Forest Shores provides wastewater service to 137 customers. It purchases wastewater treatment from the City of Callaway (City) and passes on the cost to its customers.

On October 13, 1997, the utility submitted a request for a pass-through increase pursuant to Section 367.081(4)(b), Florida Statutes. In its application, Forest Shores submitted a copy of a letter from the City dated October 9, 1997, and copies of its bills for August 1996 through September 16, 1997 also from the city. The bill dated September 22, 1997, showed an increase in charges and this bill was due on October 13, 1997. Forest Shores stated that it did not receive notification of the increase in its charges until it received its bill dated September 22, 1997.

Normally, this case would be processed as a pass-through increase pursuant to Section 367.081(4)(b), Florida Statutes, and approved administratively. However, under that statute the new rates could not be implemented until November 27, 1997, 45 days

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after we received notice of the utility's application. The utility requests that this case be expedited so that the increase in the cost of purchased wastewater treatment can be passed on to the customers as soon as possible. Therefore, we have processed this case as a tariff filing pursuant to the provisions of Section 367.091, Florida Statutes.

REVENUE AND RATE INCREASE

Forest Shores is a small utility. If the utility were to absorb this increase, it would be financially harmed. Due to the exigent circumstances in this case, including the late notice from the City, we find that this docket should be processed as a tariff filing, pursuant to Section 367.091, Florida Statutes. The tariff provision proposed by the utility, which it included in its application, includes an increase for purchased wastewater treatment costs charged by the City.

The utility's existing purchased wastewater cost is \$2,954.43 per month. Effective August 14, 1997, the cost will be \$3,229.08 per month. This results in an increase of \$274.65 per month, and \$3,296 annually. When \$3,296 is grossed up to include regulatory assessment fees, the annual increase is \$3,451. The utility provides service to 137 customers. It bills bi-monthly and the existing rates are \$65.05 bi-monthly per customer. Its annualized revenue based on existing rates is \$53,471. Based on the increase by the City, the utility's revenue and rates will increase 6.45 percent.

This increase in revenue will not cause the utility to overearn. Therefore, the utility's tariff filing shall be approved. The appropriate rates shall be a flat bi-monthly rate of \$69.25 per customer. The approved rates shall be effective for service rendered on or after the stamped approval date on the revised tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code, provided customers have received notice. The rates may not be implemented until proper notice has been received by the customers. The utility shall provide proof of the date notice was given within 10 days after the date of the notice.

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In the event a protest is filed within 21 days of the issuance of this Order, this tariff shall remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket shall be closed.

Based on the foregoing, it is

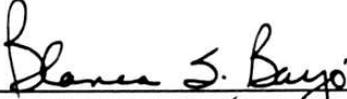
ORDERED by the Florida Public Service Commission that the proposed revised tariff sheet submitted by Forest Shores Utilities, Inc., is hereby approved as set forth in the body of this Order. It is further

ORDERED that the new charge contained in the revised tariff sheet shall become effective on or after the stamped approval date of the revised tariff sheet, pursuant to Rule 25-30.475, Florida Administrative Code, provided the customers have received notice. It is further

ORDERED that in the event that a protest is filed within 21 days of the issuance of this Order, this tariff shall remain in effect with any increases held subject to refund pending the resolution of the protest. It is further

ORDERED that in the event no timely protest is filed, then this docket shall be closed upon expiration of the protest period.

By ORDER of the Florida Public Service Commission this 25th day of November, 1997.

  
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BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

RRJ

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 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 action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 16, 1997.

In the absence of such a petition, this Order shall become final on the day subsequent to the above date.

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.

If this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This

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filing must be completed within thirty (30) days of the date this Order becomes final, 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.