BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a rate increase) in Citrus, Martin, Marion and Charlotte/) Lee County by SOUTHERN STATES UTILITIES,) INC.; in Collier County by MARCO ISLAND) UTILITIES (DELTONA) and MARCO SHORES) UTILITIES (DELTONA); in Marion County by) MARION OAKS UTILITIES (UNITED FLORIDA);) and in Washington County by SUNNY HILLS) UTILITIES (UNITED FLORIDA)

DOCKET NO. 900329-WS

ORDER NO. 23804

ISSUED: 11-26-90

ORDER GRANTING MOTION TO PREFILE ADDITIONAL DIRECT TESTIMONY REGARDING RATE CASE EXPENSE

On September 28, 1990, Southern States Utilities, Inc., Deltona Utilities, Inc., and United Florida Utilities Corporation (Applicants) completed the minimum filing requirements (MFRs) for a general rate increase. This case is currently scheduled for an administrative hearing on February 11 through 15, 1991.

On July 25, 1990, the office of Public Counsel (OPC) served notice of its intervention in this proceeding pursuant to the provision of Section 350.0611, Florida Statutes. We acknowledged OPC's intervention by Order No. 23496, issued September 17, 1990.

On November 9, 1990, Applicants filed a motion for leave to prefile additional direct testimony regarding rate case expense in this docket. Applicants have already filed their direct testimony with their MFRs on September 28, 1990.

In their motion, Applicants argue that this is probably the most extensive water and/or wastewater rate case, with the largest volume of information and the highest level of rate case expense, ever considered by this Commission. Applicants also note that this is one of the first rate cases in which we will be guided by Section 367.0815, Florida Statutes, and that under that section, substantial amounts of rate case expense may be disallowed. Applicants, therefore, request that they be allowed to prefile additional direct testimony, no later than thirty days from the date of this Order, regarding the appropriate level and treatment of rate case expense in this proceeding.

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Finally, Applicants state that they have contacted counsel for both OPC and the Staff of this Commission (Staff) regarding their motion. According to Applicants, both OPC and Staff indicated that they would not oppose the motion as long as there was a reasonable opportunity to respond in kind. OPC further indicated that no less than twenty-one days would be necessary to respond.

Upon consideration, it appears that rate case expense will be one of the major issues in this case, both as a result of the anticipated level and the requirements of Section 367.0815, Florida Statutes. It would, therefore, be helpful to have detailed testimony and exhibits available prior to and during the hearing process, in order that we may make the most informed decision possible. Accordingly, Applicants' motion for leave to prefile additional direct testimony regarding rate case expense is granted. Applicants shall prefile the rate case expense testimony within thirty days of the date hereof. OPC and Staff shall have at least twenty-one days from that date to prepare and file testimony in response thereto.

It is, therefore,

ORDERED by Commissioner Thomas M. Beard, as Prehearing Officer, that Applicants' motion for leave to prefile direct testimony regarding rate case expense is hereby granted. It is further

ORDERED that Applicants shall prefile their direct testimony regarding rate case expense no later than thirty (30) days from the date of this Order. It is further

ORDERED that the Office of Public Counsel and Staff shall have until twenty-one (21) days from the date that Applicants prefile their rate case expense testimony, or until rebuttal testimony is due, whichever is later, to prepare and file testimony in response to Applicants' rate case expense testimony.

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By ORDER of Commissioner Thomas M. Beard, as Prehearing Officer, this <u>26th</u> day of <u>NOVEMBER</u>, <u>1990</u>.

THOMAS M. BEARD, commissioner and Prehearing Officer

(SEAL)

TMB/RJP

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) 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 sewer utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.