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RE-CATING

January 26, 1999

Blanca S. Bayo, Director Division of Records & Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

VIA HAND DELIVERY

Re: Docket No. 950387-SU (Remand) Application of Florida Cities Water Company - North Ft. Myers Division - for increased wastewater rates in Lee County.

Dear Ms. Bayo:

Enclosed for filing in the above docket, on behalf of Florida Cities Water Company, is an original and fifteen (15) copies of a Motion to Make Rates Permanent.

Please acknowledge receipt of the foregoing by stamping the enclosed extra copy of this letter and returning same to my attention. Thank you for your assistance.

Sincerely,

ACK . AFA 2 APP ____ CAF _____ CMU _____ CTR . KGWC/ldv EAG <u>Enc</u>losures LEG ____ LIN 3 0PC _____ RCH SEC WAS OTH

DOCUMENT NUMBER-DATE

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TAL: 19555:1 FORT LAUDERDALE = MIAMI = NAPLES = ST. PETERSBURG = SARASOTA = TALLAHASSEE = TAMPA = WEST PALM BEACH



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a rate) DOCKET NO. 950387-SU increase for North Ft. Myers) Division in Lee County by) Florida Cities Water Company -) Filed: January 26, 1999 Lee County Division.

MOTION TO MAKE RATES PERMANENT

Florida Cities Water Company (FCWC) files this its Motion to Make Rates Permanent and states:

1. The purpose of this motion is to request that the Commission:

a. Make permanent the allowed revenue and the rates approved by the Commission at its agenda conference for the consideration of this Docket now scheduled for March 2, 1999;

b. Allow FCWC to continue to collect on an interim basis, subject to refund, the revenue not allowed, if any, by the Commission at its agenda conference now scheduled for March 2, 1999.

2. The application in this docket was filed on May 19, 1995. The Commission issued its Proposed Agency Action Order PSC-95-1360-FOF-SU (PAA), on November 2, 1995. FCWC did not protest the PAA. However, twelve customers did file a protest and the Office of Public Counsel (OPC) intervened. FCWC implemented the PAA rates, subject to refund, in January 1996. A hearing was held on April

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24-25, 1996. Order No. PSC-96-1133-FOF-SU (Final Order) was issued on September 10, 1996, which was appealed by FCWC. The District Court of Appeal, First District reversed the Commission in part and remanded in part. The Commission held a hearing on remand on December 8 and 9, 1998.

3. FCWC has been collecting the interim rates subject to refund since January 1996. When the Commission makes its decision in this docket at the agenda conference, at least a portion of the revenue now being collected on an interim basis will no longer be in controversy. The Court held and the Commission has agreed that the plant capacity of the wastewater plant is 1.25 mgd and that 1.25 mgd should be used in the denominator of the fraction in determining the proper used and useful percent. No party challenged this holding during the course of the remand proceeding. This change alone allows additional uncontroverted revenue above that allowed by the Final Order in the amount of \$174,661 on an annual basis. The Commission should allow FCWC to collect this revenue on a permanent basis.

Wherefore, Florida Cities Water Company moves that the Commission:

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a. Make permanent the allowed revenue and the rates approved by the Commission at its agenda conference for the consideration of this Docket now scheduled for March 2, 1999;

b. Allow FCWC to continue to collect on an interim basis, subject to refund, the revenue not allowed by the Commission at its agenda conference now scheduled for March 2, 1999; and

c. Such other relief as may be appropriate.

DATED this <u>26th</u> day of January, 1999.

B. KENNETH GATLIN //
Fla. Bar No.: 0027966
Ruden, McClosky, Smith, Schuster & Russell, P.A.
215 South Monroe Street, Suite 815
Tallahassee, FL 32301
Phone: (850) 681-9027

Attorneys for FLORIDA CITIES WATER COMPANY

Certificate of Service

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served by U.S. Mail, unless otherwise noted, this <u>26th</u> day of January, 1999 to:

Cheryl Walla 1750 Dockway Drive North Fort Myers, FL 33903

Harold McLean, Associate Public Counsel Office of Public Counsel c/o The Florida Legislature Claude Pepper Building, Room 812 111 W. Madison Street Tallahassee, FL 32399-1400 Jerilyn Victor 1740 Dockway Drive North Fort Myers, FL 33903

Ralph Jaeger, Esquire
(Hand Delivery)
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 Commission
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