BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Application of BARTELT ENTER-) PRISES, INC. for a 1989 price index rate adjustment in Pasco County.

DOCKET NO. 890841-WU ORDER NO. 21705 ISSUED: 8-9-89

ORDER ACKNOWLEDGING PRICE INDEX RATE ADJUSTMENT

BY THE COMMISSION:

On June 29, 1989, Bartelt Enterprises, Inc. (Utility) notified this Commission of its intention to increase rates to customers in Pasco County by application of price-indexing provisions of Section 367.081(4)(a), Florida Statutes, and Rule 25-30.420, Florida Administrative Code.

By Order No. 20972, issued by this Commission on March 31, 1989, in Docket No. 890005-WS, the rates of water and sewer utilities are subject to adjustment as a result of application of the price index to certain utility operation and maintenance costs. The indexing factor is 4.35 percent.

After review of the indexing filing, we find that it meets the Commission's requirements, as set forth in Rule 25-30.420, Administrative Code. In compliance with 25-30.420(6), Florida Administrative Code, the Utility advised us that it will provide notice to its customers prior to the effective date of the rates, informing them of the impending rate adjustment and explaining that the increase is due to the application of the price index to certain operation and maintenance expenses.

Applying an increase factor of 1.0435 to the existing rate schedules results in increased water revenues of \$4,146. The schedule of our computation is as follows:

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1989 Price Index Application Test Year Ended December 31, 1988

		Water
1988 Operation and Maintenance Expenses	\$	97,339
Less: (1) Pass-through Items:	(4,115) 0 0 300)
(2) Rate Case Expense Included in 1988 O & M Expenses		0
Costs to be Indexed	\$	92,924
Multiply by Change in GNP Implicit Price Deflator Index	x_	.0435
Additional O & M Expenses	\$	4,042
Divide by Expansion Factor for Regulatory Assessment Fees	÷_	.975
Increase in Revenue	\$	4,146
Divide by 1988 Annualized Revenues	÷_	95,228
Percentage Increase	and the same of	4.35%
Increase Factor to Apply to Existing Rate Schedules	_	1.0435
*Testing for organic contaminants per DER Rules 1 and 17-550.410, F.A.C.	7-5	50.310(2)

Rates which will allow the Utility to recognize this increase are as follows:

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WATER (4.35% INCREASE) Monthly Rates

Residential and General Service

	Ex	isting	New
First 5,000 Gallons	\$	6.73	\$ 7.02
Gallonage Charge Per 1,000 Gallons in excess of 5,000 Gallons	\$.32	\$.33

It is, therefore,

ORDERED by the Florida Public Service Commission that the indexing application of Bartelt Enterprises, Inc., 922 Buena Vista Lane, Holiday, Florida 34691, is hereby acknowledged. It is further

ORDERED that the Utility shall submit revised: tariff sheets containing the new rates indicated in this Order. It is further

ORDERED that the rates contained herein shall become effective for service rendered on or after August 28, 1989, subject to approval of revised tariff sheets and customer notice as previously indicated in this Order. It is further

ORDERED that Docket No. 890841-WU shall be closed upon approval of the revised tariff sheets.

By Order of the Florida Public Service Commission, this 9th day of AUGUST , 1989 .

STEVE TRIBBLE Director

Division of Records and Reporting

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