

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request to Authorize) DOCKET NO. 940285-WU
Nonpayment of 1993 Regulatory) ORDER NO. PSC-94-0610-FOF-WU
Assessment Fees on Uncollected) ISSUED: May 23, 1994
Public Fire Protection Revenues)
by PALM COAST UTILITY)
CORPORATION in Flagler County)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
JULIA L. JOHNSON
DIANE K. KIESLING
LUIS J. LAUREDO

ORDER DENYING REQUEST TO AUTHORIZE DEFERRED PAYMENT OF A
PORTION OF REGULATORY ASSESSMENT FEES

BY THE COMMISSION:

On March 21, 1994, Palm Coast Utility Corporation (PCUC or utility) filed a request for authorization of nonpayment of 1993 regulatory assessment fees (RAFs) on uncollected public fire protection revenues from Flagler County. PCUC, with Commission authorization, charges Flagler County for each fire hydrant located within the county, as well as for maintenance. PCUC billed Flagler County \$143,500 for their service. Flagler County paid PCUC \$71,750, while the remaining balance of \$71,750 remains unpaid. Due to this unpaid bill, the utility requested deferred payment of a portion 1993 regulatory assessment fees, which amounts to \$3,228.75, until payment is received.

Section 350.113, Florida Statutes and Rule 25-30.120(1), Florida Administrative Code, states that a utility shall submit RAFs based on 4.5% of its gross operating revenues. Section 367.145, Florida Statutes, states that this fee shall be paid annually in conjunction with the utility filing its annual report. Rule 25-30.115(1), Florida Administrative Code, requires a utility to maintain its accounts and records in conformity with the 1984 National Association of Regulatory Utility Commissioners Uniform Systems of Accounts (USOA). The USOA provides that amounts which may become uncollectible shall be credited to Account 143, Accumulated Provision for Uncollectible Accounts. Furthermore, the USOA provides that Account 670, Bad Debts Expense, shall be charged

DOCUMENT NUMBER-DATE

04994 MAY 23 3

FPSC-RECORDS/REPORTING

ORDER NO. PSC-94-0610-FOF-WU
DOCKET NO. 940285-WU
PAGE 2

with amounts sufficient to provide for losses from uncollectible utility revenues. Since a utility is allowed to recover losses through Account 670, gross revenues are not adjusted for uncollectible revenues. Therefore, a utility must pay its RAFs on gross revenues collected.

In compliance with the USOA, PCUC reflects both Accounts 143 and 670 in its accounts and records. By Order No. 22843, issued April 23, 1990, the utility was authorized to recover losses from uncollectible accounts totalling \$6,223 through its current rates. Clearly, the amount of loss currently being recovered through rates related to this request would not be sufficient to recover the possible loss of \$71,750.

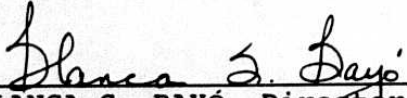
However, pursuant to Section 350.113(5), Florida Statutes, the only extension which could be granted by the Commission is one for 30 days for good cause shown. As these statutes do not allow the Commission to authorize utilities a further extension to pay, or in the alternative, not to pay RAFs for any reason, we find it appropriate to deny PCUC's request.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that, the request by Palm Coast Utility Corporation, 2 Utility Drive, Palm Coast, Florida 32137-7392, to defer payment of a portion of 1993 regulatory assessment fees on uncollected public fire protection revenues from Flagler County is denied. It is further

ORDERED that Docket No. 940285-WU is hereby closed.

By ORDER of the Florida Public Service Commission, this 23rd day of May, 1994.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

MSN

ORDER NO. PSC-94-0610-FOF-WU
DOCKET NO. 940285-WU
PAGE 3

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 the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) 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 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 filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.