BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of increase in wastewater deposit fee to \$62.00 by Highlands Utilities Corporation in Highlands County.

DOCKET NO. 980360-SU ORDER NO. PSC-98-0731-FOF-SU ISSUED: May 27, 1998

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman J. TERRY DEASON SUSAN F. CLARK JOE GARCIA E. LEON JACOBS, JR.

ORDER APPROVING REVISED TARIFF SHEETS CONTAINING INCREASED CUSTOMER DEPOSIT CHARGES

BY THE COMMISSION:

Highlands Utilities Corporation (Highlands or utility) is a Class B wastewater utility located in Highlands County. According to its 1996 annual report (the 1997 annual report has not been filed by the utility), the utility provides wastewater service to 1,274 customers. For the calendar year ending December 31, 1996, the utility recorded revenues of \$505,532 and expenses of \$500,080, resulting in income of \$5,452.

On March 13, 1998, the utility filed an application requesting the approval of an increase of the residential customer deposit fee to \$62.00. Section 367.091(5), Florida Statutes, authorizes the utility to establish, increase, or change a rate or charge other than monthly rates for service or service availability charges accompanied by cost justification.

The utility asserts that its tariff sheets of rate schedules have been increased eight times due to the inflation and the increase in the costs of the wastewater treatment, since 1990. However, the tariff sheet of residential customer deposits has never been revised to adopt the increased rates over the past eight years. The charges are based on the current rate schedule, the

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average 6,000 gallons per month per customer, and two months of usage. The customer deposit fees are only required on new customers.

It is our practice to establish customer deposit charges on the basis of two months of average usage, pursuant to Rule 25-30.311(7), Florida Administrative Code. We find the proposed charges to be just, reasonable, compensatory, and not unfairly discriminatory. Therefore, we approve the tariff sheet containing the new customer deposit charge of \$62.00.

The new charges shall become effective for service rendered on or after the stamped approval date of the tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code. In the event a protest is filed within 21 days of the issuance of the Order, this tariff shall remain in effect 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 Highlands Utilities Corporation's request to increase customer deposit charges to \$62.00 is hereby approved. It is further

ORDERED that the tariff revisions approved herein shall become effective for service rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code. It is further

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

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ORDERED that if no timely protest is filed, this docket shall be closed.

By ORDER of the Florida Public Service Commission this $\underline{27th}$ day of \underline{May} , $\underline{1998}$.

BLANCA S. BAYÓ, Director Division of Records and Reporting

Bv

Kay Flynn, Chief Bureau of Records

(SEAL)

SRF

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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 June 17, 1998.

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 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.