



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

## -M-E-M-O-R-A-N-D-U-M-

RECEIVED  
56 DEC 22 AM 11:28  
REPORTING

**DATE:** DECEMBER 22, 1998

**TO:** DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

**FROM:** DIVISION OF WATER AND WASTEWATER (BUTTS)  
DIVISION OF LEGAL SERVICES (VACCARO)

**RE:** DOCKET NO. 981612-WS - TARIFF FILING TO REVISE WATER AND WASTEWATER TARIFFS TO IMPLEMENT CONVERGENT BILLING FOR MULTIPLE UTILITY SERVICES IN MARTIN COUNTY BY INDIANTOWN COMPANY, INC.  
COUNTY: MARTIN

**AGENDA:** 01/5/99 - REGULAR AGENDA - TARIFF FILING - INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** 60-DAY SUSPENSION DATE: JANUARY 15, 1999

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\WAW\WP\981612.RCM

### CASE BACKGROUND

Indiantown Company, Inc. (Indiantown or utility) is a Class B utility which provides water and wastewater service in Martin County. According to the utility's 1997 Annual Report, it serves 1,715 water customers and 1,582 wastewater customers. The utility also reported in its 1997 Annual Report, water revenues in the amount of \$457,745 and wastewater revenues in the amount of \$516,694.

Water in the utility's service area is under the jurisdiction of the Southwest Florida Water Management District (SWFWMD), and Indiantown is located in a Water Use Caution Area. The utility's last rate case processed under Docket No. 970556-WS, requested a name change, transfer of assets and majority organizational control. By Order No. PSC-97-1171-FOF-WS, issued October 1, 1997, the Commission approved the utility's application.

DOCUMENT NUMBER-DATE

14421 DEC 22 98

PSC-RECORDS/REPORTING

DOCKET NO. 981612-WS  
DATE: DECEMBER 22, 1998

Indiantown currently operates the utility's water and wastewater facilities, along with an unregulated garbage/refuse business and land development which is not associated with any utility service. Additionally, Indiantown has two telephone subsidiaries; Indiantown Telephone System, Inc. and Arrow Communications, Inc.

On November 12, 1998, the Commission received the present proposed amendment to revise Indiantown's existing tariff. In order to process the request, staff needs further amplification of the information provided. Therefore, staff has prepared the following recommendation.

**ISSUE 1:** Should Indiantown Company, Inc.'s proposed tariff which reflects revisions to its existing tariff to a convergent billing system be suspended?

**RECOMMENDATION:** Yes, Indiantown's proposed tariff to provide convergent billing should be suspended pending further investigation by staff. (BUTTS, VACCARO)

**STAFF ANALYSIS:** Pursuant to Section 367.091(5), Florida Statutes, the tariff sheets proposed by the utility shall become effective within sixty (60) days after filing, unless the Commission votes to withhold consent implementation of the request.

Section 367.091(5), Florida Statutes, states that the Commission may withhold consent to the operation of any or all portions of new rate schedules, by a vote to that effect within 60 days giving reason or statement of good cause for withholding that consent. If the Commission does not withhold consent, the proposed tariff may be assumed in effect after 60 days.

Staff has reviewed the filing and has considered the utility's proposed changes to their billing methodology. Staff believes it is reasonable and necessary to require further amplification and explanation of the proposals and to require production of corroborative information, if necessary. Therefore, staff is recommending that the proposed tariff which reflects changes of the utility to a convergent billing system for Indiantown Company, Inc. should be suspended.