

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of SOUTHERN STATES ) DOCKET NO. 890236-WU  
 UTILITIES, INC., SILVER LAKES ESTATES, )  
 for 1988 price index and pass-through ) ORDER NO. 20978  
 rate adjustments in Lake County. )  
 \_\_\_\_\_ ) ISSUED: 4-4-89

ORDER ACKNOWLEDGING INDEXING  
 AND PASS-THROUGH RATE ADJUSTMENTS

BY THE COMMISSION:

On February 15, 1989, Southern States Utilities, Inc. (Utility) notified this Commission of its intention to increase rates to the customers of its Silver Lakes Estates system in Lake County by application of the price-indexing and pass-through provisions of Subsections 367.081(4)(a) and (b), Florida Statutes, respectively, and Rules 25-30.420 and 25-30.425, Florida Administrative Code, respectively.

By Order No. 19073, issued by this Commission on March 31, 1988, in Docket No. 880005-WS, the rates of water and sewer utilities are subject to adjustment as a result of the application of the price index to certain utility operation and maintenance costs. The indexing factor is 2.89 percent.

The Utility also intends to pass through to its customers an increase in its ad valorem taxes. The Utility waived its right to place the pass-through rates into effect thirty days from the filing date of this notice and states that these rates are to become effective simultaneously with the indexing adjustment.

The documentation submitted by the Utility in support of its indexing and pass-through notice meets the Commission's requirements, as set forth in Rules 25-30.420 and 25-30.425, Florida Administrative Code. In compliance with said rules, 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 pass-through provisions and the application of the price index to certain operation and maintenance expenses.

Applying an increase factor of 1.0144 to the existing rate schedules results in increased water revenues of \$1,369. The schedule of our computations is as follows:

1988 Price Index and Pass-Through Application  
Test Year Ended December 31, 1987

	<u>Water</u>
1987 Operation and Maintenance Expenses	\$ 50,215
Less:	
(1) Pass-through Item: Purchased Power	( 13,454)
(2) Rate Case Expense Included in 1987 O & M Expenses	<u>0</u>

DOCUMENT NUMBER-DATE

03364 APR -4 1989

FPSC-RECORDS/REPORTING

ORDER NO. 20978  
DOCKET NO. 890236-WU  
Page 2

Costs to be Indexed	\$ 36,761
Multiply by Change in GNP Implicit Price Deflator Index	x <u>.0289</u>
Additional O & M Expenses	\$ 1,062
Pass-through Item: Increase in Ad Valorem Taxes	\$ <u>292</u>
Total Increased Expenses	\$ 1,354
Divide by Expansion Factor for Regulatory Assessment Fees	+ <u>.975</u>
Increase in Revenue	\$ 1,389
Divide by 1987 Revenues	÷ <u>96,191</u>
Percentage Increase	<u>1.44%</u>
Increase Factor to Apply to Existing Rate Schedules	<u>1.0144</u>

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

WATER (1.44% Increase)  
Monthly Rate

Residential and General Service

<u>Base Facility Charge</u> <u>Meter Size</u>	<u>Existing</u>	<u>New</u>
5/8" x 3/4"	\$ 3.00	\$ 3.04
Full 3/4"	\$ 4.50	\$ 4.56
1"	\$ 7.50	\$ 7.61
1-1/2"	\$ 15.90	\$ 15.22
2"	\$ 24.00	\$ 24.35
<u>Gallonge Charge</u> Per 1,000 Gallons	\$ .53	\$ .54

It is, therefore,

ORDERED by the Florida Public Service Commission that the indexing and pass-through application of Southern States Utilities, Inc., 1000 Color Place, Apopka, Florida 32703, for its Silver Lake Estates Division is hereby acknowledged. It is further

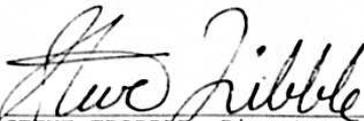
ORDERED that the rates contained herein shall become effective for service rendered on or after April 16, 1989, subject to approval of revised tariff sheets and customer notice as previously indicated in this Order. It is further

ORDERED that the tariff sheets submitted with the Utility's application reflect the rates set forth in this

ORDER NO. 20978  
DOCKET NO. 890236-WU  
Page 3

Order, and Docket No. 890236-WU may be closed upon Staff's approval of the tariff sheets.

By Order of the Florida Public Service Commission,  
this 4th day of APRIL, 1989.

  
\_\_\_\_\_  
STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

ALC