BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment of) DOCKET NO. 900556-WU Certificate 106-W to include Quail) Ridge system in Lake County by) ORDER NO. 23852 SOUTHERN STATES UTILITIES, INC.) ISSUED: 12-10-90

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman THOMAS M. BEARD BETTY EASLEY GERALD L. GUNTER FRANK S. MESSERSMITH

ORDER AFFIRMING TRANSFER AND AMENDMENT OF CERTIFICATE

AND

NOTICE OF PROPOSED AGENCY ACTION SETTING RATES AND CHARGES

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is final except for the decision to defer establishment of rate base and defer any decision on acquisition adjustment, and the setting of rates and charges, which are preliminary in nature and will become final unless a person whose interests are substantially affected files an petition for formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

Background

On June 18, 1990, Southern States Utilities, Inc. (SSUI or Utility) filed an application with this Commission for amendment of Certificate No. 106-W to include additional territory in Lake

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-PSC-RECORDS/REPORTING

County. SSUI is planning to purchase a water system in the additional territory from Ideal Development, Inc. (Ideal). Ideal will construct the system, which is designed to serve 113 equivalent residential connections (ERCs) at build-out. The system will serve Quail Ridge Estates, a mobile home village. The closing has not occurred pending the Commission decisions regarding setting of rate base and acquisition adjustments.

Our initial decision in this docket is published in Order No. 23505, issued on September 18, 1990. That Order was final as to approval of the requested transfer and authorization to submit Certificate No. 106-W for amendment, and was proposed agency action (PAA) as to establishment of a \$10,000 rate base, denial of an acquisition adjustment, and setting of initial rates. The Order directed SSUI to submit its Certificate No. 106-W within 30 days from September 18, 1990. A timely motion for reconsideration of the final (transfer) portion of the Order was filed by the Utility on October 3, 1990. The Utility filed a protest to the PAA portion of the Order on October 9, 1990.

The motion for reconsideration requested that the final action in Order No. 23505 be withheld if rate base is established at this time, or if protracted litigation should result. The protest objected to having rate base established in this proceeding and objected to a denial of an acquisition adjustment, but requested that the transfer approved in Order No. 23505 be final if rate base is not established at this time and a decision on acquisition adjustment is deferred.

Rate Base and Acquisition Adjustment

Section 367.071(5), Florida Statutes, expressly provides that the Commission may, but need not, establish rate base when the Commission approves a sale, assignment, or transfer of a system or a part thereof. The costs of the assets to be sold to SSUI by Ideal have not been established at this time because construction of the system is not complete. Furthermore, SSUI does not plan to pay cash to Ideal at the closing, but intends to pay two installment payments of \$5,000 each upon a schedule of connection of customers to the system. Based on these considerations, we will not set rate base at this time. For the same reasons, no decision regarding an acquisition adjustment will be made in this docket.

As these decisions remove the objections to the two decisions objected to by SSUI, the transfer approval, the authorization to amend, and requirement to submit Certificate No. 106-W to the Commission for amendment in Order No. 23505 are affirmed.

Rates and Charges

SSUI has requested authority to charge to the customers within the Quail Ridge Subdivision the rates and charges currently approved for its other Lake County systems. Those rates and charges are as follows:

	WATER	
Residential and	General Service Rate	es
Bi-	Monthly	
<u>Meter Size</u>	Rate	
5/8 x 3/4"	\$ 11.14	4
Full 3/4"	16.73	3
1"	27.88	в
1-1/2"	55.77	7
2"	89.23	3
3"	178.44	4
4"	278.83	3
6"	557.66	6
Gallonage Charge		
per 1,000 gallons	1.40	O
Meter Ins	tallation Fee	
Meter Size		

NOUCE DEDU	
5/8 x 3/4"	\$ 75.00
Full 3/4"	85.00
1"	100.00
1-1/2"	175.00
2" or larger	Actual Cost

Service Line Fees

Short Service Line	\$ 150.00
Long Service Line	175.00
Long Service Line	200.00

Miscellaneous Service Charges

Description	Charge During Regular Hours	Charge After <u>Regular Hours</u>
(1) Initial Connection	\$ 10.00	\$ 15.00
(2) Normal Reconnection	10.00	15.00
(3) Violation Reconnection	10.00	15.00
(4) Premises Visit Charge	5.00	N/A
Customer Deposit		\$ 25.00

We affirm these county-wide rates and charges to be reasonably applied to the Quail Ridge Subdivision. Therefore, SSUI's request to charge the rates set forth above to the customers of Quail Ridge Estates is hereby approved.

It is, therefore,

ORDERED by the Florida Public Service Commission that the transfer previously authorized in Order No. 23505 is affirmed. It is further

ORDERED that the authorization to amend Certificate No. 106-W as previously authorized in Order No. 23505 is affirmed. It is further

ORDERED that Southern States Utilities, Inc. shall submit Certificate No. 106-W to this Commission within 30 days of the date of this Order for appropriate entry. It is further

ORDERED that Southern States Utilities, Inc. shall charge the customers in the territory added herein the rates and charges previously approved for its other systems in Lake County, as set forth in the body of this Order. It is further 278

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ORDERED that Southern States is directed to file tariff sheets reflecting the territory described in Attachment A and the rates and charges approved herein within 30 days of the date of this Order. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition in the form provided by Rule 25-22.36, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event that the Proposed Agency Action portions of this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 10th day of _______, 1990.

> STEVE TRIBBLE, Director Division of Records and Reporting

(SEAL)

Bureau of Records

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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.

As identified in the body of this order, our action deferring establishment of rate base, deferring a decision on an acquisition adjustment, and setting of initial rates is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on . In the absence of such a petition, December 31, 1990 this order shall become effective on the date subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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 the relevant portion of this order becomes final and effective 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 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 of the effective date of this order, 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.

Any party adversely affected by the Commission's final action in this matter may request 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 Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

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ATTACHMENT A

Legal Description of Quail Ridge Estates

Parcel 2

The Northeast 1/4 of the Northwest 1/4 of Section 25, Township 18 South, Range 25 East, Lake County, Florida, lying Southerly and Westerly of C-452, together with that part of Government Lot 7, in Section 24, Township 18 South, Range 25 East, further described as:

For a point of reference, begin at the Southwest corner of said Section 24, thence run N 89*43'19" E along the South line of Government Lot 8, 1328.53 feet to the Southwest corner of above said Government Lot 7, thence continue N 89*43'19" E along the South Line of Government Lot 7, 33.00 feet to the Point of Beginning: thence departing said South line of Government Lot 7, run N 00*17'48" W parallel with the West line of said Government Lot 7, 482.94 feet thence run N 89*43'19" E parallel with the above said South Line of Government Lot 7 483.72 feet to the Southwesterly Right-of-Way line of C-452, thence S 47*50'03" E along said Southwesterly Right-of-Way line 715.61 feet to the above said South line of Government Lot 7, thence run S 89*43'19" W along said South line 1011.64 feet to the Point of Beginning.

Containing 47.14 acres, more or less.