

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval to
establish a late payment charge
for Brendenwood Water System in
Lake County.

DOCKET NO. 971465-WU
ORDER NO. PSC-98-0172-FOF-WU
ISSUED: January 28, 1998

The following Commissioners participated in the disposition of
this matter:

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

ORDER APPROVING TARIFF IMPLEMENTING
A LATE PAYMENT CHARGE

BY THE COMMISSION:

Brendenwood Water System (Brendenwood or utility) is a Class C water-only utility that provides water service to approximately 56 customers in Lake County. According to its 1996 annual report, the utility recorded revenues of \$19,777 and operating expenses of \$21,881, resulting in a net operating loss of \$2,383.

Section 367.091, Florida Statutes, allows a utility to file an application, to establish, increase, or change a rate or charge other than monthly rates for service or service availability charges. Such application must be accompanied by cost justification. On November 7, 1997, pursuant to Section 367.091, Florida Statutes, Brendenwood filed a proposed tariff requesting approval of a \$3.00 late payment charge. Pursuant to Section 367.091(5), Florida Statutes, Brendenwood also filed cost justification in support of its request. The utility stated in its filing that the purpose of this charge is to provide an incentive for customers to make timely payments and place the cost burden of processing such delinquent accounts upon those who cause such costs. The utility adds that the percent of delinquent customers has varied from 5.4% to 12.5%. Further, the utility adds that approximately 7% of its "customers base has established the trend of paying late."

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FPSC-RECORDS/REPORTING

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We have previously approved late payment charges for other water service utilities. See Orders Nos. PSC-92-0779-FOF-WS, issued August 10, 1992, PSC-92-0611-FOF-WS, issued July 7, 1993, and PSC-96-0987-FOF-WS, issued August 5, 1996. We believe that customers should have an incentive to pay utility bills in a timely manner and that those customers who cause the utility to incur costs to process late payment notices should pay those costs.

Upon reviewing the utility's application and cost justification, we believe that the utility's request is reasonable. Accordingly, the utility's request for a late payment fee of \$3.00 is approved. The new late payment fee contained in the revised tariff sheet shall become effective on or after the stamped approval date on the revised tariff sheet pursuant to Rule 25-30.475(1), Florida Administrative Code, provided customers have received notice.

In the event a protest is filed within 21 days of the issuance of the Order, this tariff shall remain in effect and all late payment charges collected should be held subject to refund pending resolution of the protest. If no timely protest is filed, this docket shall be closed administratively.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Brendenwood Water System's tariff filing to implement a late payment charge in the amount of \$3.00 is approved. It is further

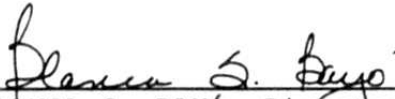
ORDERED that the tariff shall become effective on or after the stamped approval date on the revised tariff sheets, provided customers have received notice. It is further

ORDERED that in the event that a protest is filed within 21 days of the issuance of this Order, this tariff shall remain in effect and all late payment charges collected should be held subject to refund pending the resolution of the protest. It is further

ORDERED that in the event no timely protest is filed, then this docket shall be closed administratively.

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By ORDER of the Florida Public Service Commission this 28th
day of January, 1998.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

SRF

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

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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 February 18, 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.