

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application to amend water tariff to
allow collection of customer deposits by O&S
Water Company, Inc.

DOCKET NO. 070366-WU
ORDER NO. PSC-07-0682-PCO-WU
ISSUED: August 22, 2007

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman
MATTHEW M. CARTER II
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

ORDER SUSPENDING TARIFF

BY THE COMMISSION:

Background

O&S Water Company, Inc. (O&S or utility) is a Class A water utility serving approximately 2,120 water customers in Osceola County.¹ On June 7, 2007, the utility filed proposed tariff sheets and requested approval to implement customer deposits.

This Order addresses the utility's requested tariff changes. We have jurisdiction pursuant to Section 367.091, Florida Statutes.

Suspension of Proposed Tariff

As stated above, the utility filed an application to implement customer deposits for its water system in Osceola County. The purpose of customer deposits is to establish credit with the utility. Deposits are to be paid by new utility customers and current customers who would not qualify for a refund of a deposit pursuant to Rule 25-30.311(5), Florida Administrative Code (F.A.C.). Rule 25-30.311, F.A.C., provides guidelines for collecting, administering, and refunding customer deposits. The rule also authorizes customer deposits to be calculated using

¹ The Commission granted O&S its original Certificate No. 510-W in Order No. 20583, issued January 10, 1989, in Docket No. 870392-WU, In Re: Objection to Application of C&S Water Company for a water certificate in Osceola County.

The Commission approved the transfer of majority organizational control and established rate base for transfer purposes in Order No. PSC-92-0204-FOF-WU, issued April 14, 1992, in Docket No. 910895-WU, In Re: Application for transfer of majority organizational control of C&S Water Company's Certificate No. 510-W in Osceola County from Doug Stewart and the Estate of Jack Chernau to Douglas B. Stewart.

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an average monthly bill for a 2-month period. The utility currently does not have a tariff charge for customer deposits.

The schedule of the utility's requested deposits is as follows:

<u>Customer Type</u>	<u>Meter Size</u>	<u>Proposed Water Deposits</u>
Residential Customers	All Meter Sizes	\$73
General Service Customers	All Meter sizes	2 x average bill

According to information supplied by the utility, the average residential monthly bill per customer from May 2006 to May 2007 was \$36.47. The proposed deposit is two times this amount or \$73.

Pursuant to Section 367.091(6), Florida Statutes, "An application to establish, increase, or change a rate or charge . . . shall be accompanied by a cost justification." A review of the utility's filing shows that the utility has not filed sufficient information for its requested change in its customer deposits. Therefore, we find it necessary to suspend the utility's proposed tariff. In order for the proposed tariff to be processed, the utility shall provide additional information supporting its request.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that O&S Water Company, Inc.'s proposed tariff to implement customer deposits for its water system in Osceola County is hereby suspended for the reasons stated in the body of this Order. It is further

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission this 22nd day of August, 2007.



ANN COLE
Commission Clerk

(S E A L)

RRJ

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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) 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 wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.