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FLORIDA PUBLIC SERVICE COMMISSION  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

MEMORANDUM

DECEMBER 23, 1997

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF WATER & WASTEWATER (GALLOWAY) *OK*  
DIVISION OF LEGAL SERVICES (OTTINOT) *for Hans* *lil*

RE: UTILITY: CINNAMON RIDGE UTILITIES, INC.  
DOCKET NO: 971466-WS  
COUNTY: CITRUS COUNTY  
CASE: APPLICATION FOR TARIFF MODIFICATION REGARDING  
MISCELLANEOUS SERVICE CHARGES

AGENDA: JANUARY 6, 1998 - REGULAR AGENDA - DECISION ON SUSPENSION  
OF CHARGES - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 60-DAY SUSPENSION DATE: JANUARY 6, 1997

SPECIAL INSTRUCTIONS: NONE

FILE NAME: I:\PSC\WAW\WP\971466ws.rcm  
*971466ws.rcm*  
~~971041~~.RCM

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

DOCKET NO. 971466-WS  
December 23, 1997

CASE BACKGROUND

Cinnamon Ridge Utilities, Inc. (Cinnamon Ridge or utility) is a Class C water only utility located in Citrus County, Florida. The utility serves approximately 204 water customers according to its 1996 Annual Report. The utility also reported in its 1996 Annual Report, water revenues in the amount of \$38,495.

Water in the utility's service area is under the jurisdiction of the Southwest Florida Water Management District (SWFWMD). Cinnamon Ridge is not located in a Water Use Caution Area and SWFWMD has placed no restrictions on the utility at this time. The utility's last rate increase of 14.99%, was granted pursuant to Order No. PSC-95-0188-FOF-WU, issued February 9, 1995.

On November 7, 1997, the utility filed the present application to increase its miscellaneous service charges. In order to process the request, staff needs further amplification of the information provided. Therefore, staff has prepared the following recommendation.

DOCKET NO. 971466-WS  
December 23, 1997

**ISSUE 1:** Should the utility's proposed tariff to increase its miscellaneous service charges be suspended?

**RECOMMENDATION:** Yes, the utility's proposed tariff to increase its miscellaneous service charges should be suspended pending further investigation by staff. (GALLOWAY, OTTINOT)

**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 a 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 charges. We believe 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 to increase miscellaneous service charges for Cinnamon Ridge Utilities, Inc. should be suspended.