

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for staff-assisted rate case in
Polk County by Hidden Cove, Ltd.

DOCKET NO. 070414-WS
ORDER NO. PSC-13-0181-FOF-WS
ISSUED: April 29, 2013

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS

ORDER CLOSING DOCKET

BY THE COMMISSION:

Hidden Cove, Ltd. (Hidden Cove or Utility) is a Class C water and wastewater utility currently providing service to approximately 122 mobile home sites and several general service customers in the Hidden Cove Mobile Home Park. The park is built out. Hidden Cove was granted Certificate Nos. 607-W and 523-S in 1999.

Hidden Cove is located in the Highlands Ridge Water Use Caution Area in the Southwest Florida Water Management District. By Order No. PSC-08-0262-PAA-WS (PAA Order), issued April 28, 2008, Hidden Cove was granted an increase in rates, along with a change in rate structure from flat to metered rates. The PAA Order required in part for the Utility to complete meter installations before January 1, 2009, and for staff to review 12 months of subsequent billing data to determine the propriety of a revenue-neutral rate restructuring. The PAA Order became final and effective on May 20, 2008.

The Utility's 2011 annual report shows combined water and wastewater operating revenues of \$48,991 and operating expenses of \$66,178. The Utility reported a 2011 net operating loss of \$17,187. We have jurisdiction to consider this case pursuant to Section 367.0814, Florida Statutes.

The Utility supplied staff with the required metering and billing reports. An analysis of the reports indicates that the meter installations were completed in 2010, rather than prior to January 2009. In any given year since rates were established, there is no evidence that customers have been overcharged or that the Utility has overearned. To the contrary, a review of both the required metering and billing reports and the Utility's annual reports for the interim period since the 2006 test year shows that it is more likely that the Utility has been underearning.

There are many variables that may have depressed the Utility's revenues since the 2006 test year, including but not limited to the economy, inflationary pressures, and the number of customers served. However, we note that the Utility has not taken advantage of the

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Commission's price index and/or pass-through rate adjustment provisions as a means of increasing its revenues during the intervening period since rates were established. Therefore, it appears the rates established in the case were sufficient at the time they were implemented. Furthermore, on March 12, 2013, counsel for the Utility filed a letter with this Commission, stating his belief that the docket can be closed. For these reasons, we do not find that a revenue-neutral rate restructuring is appropriate.

Based on the foregoing, we find that the Utility has complied with the metering and billing reports requirements of the PAA Order, and that a revenue-neutral rate restructuring is not appropriate.

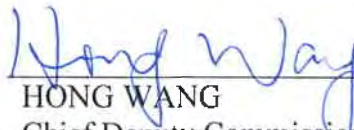
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Hidden Cove, Ltd. has complied with the metering and billing reports requirements of Order PSC-08-0262-PAA-WS. It is further

ORDERED that a revenue-neutral rate restructuring is not appropriate. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 29th day of April, 2013.



HONG WANG
Chief Deputy Commission Clerk
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Tallahassee, Florida 32399
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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.

Any party adversely affected by the Commission's final action in this matter may request:

- 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, 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 and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, 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.