

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: October 2, 2008

TO: Office of Commission Clerk (Cole)

FROM: Division of Economic Regulation (Hudson, Redemann, Bulecza-Banks, Daniel, Fletcher)
Office of the General Counsel (Bennett)

RE: Docket No. 080562-WU – Request for approval of amendment to connection/transfer sheets, increase in returned check charge, amendment to miscellaneous service charges, increase in meter installation charges, and imposition of new tap-in fee, in Marion County, by East Marion Sanitary Systems Inc.

AGENDA: 10/14/08 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 10/18/08 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECR\WP\080562.RCM.DOC

Case Background

East Marion Sanitary Systems Inc. (East Marion or Utility) is a Class C utility providing water and wastewater service to approximately 96 customers in Marion County. Water and wastewater rates were last established for this Utility in a staff assisted rate case in 2002.¹ East Marion reported water and wastewater revenues of \$65,553 in its 2007 Annual Report. The system is located in the St. Johns River Water Management District (SJRWMD).

On August 19, 2008, the Utility filed an application for approval of tariff sheets to reflect the following: amendment to connection/transfer sheet, increase in returned check charge, amendment to miscellaneous service charges, increase in meter installation charges, and the imposition of a new tap-in fee. This recommendation addresses the suspension of East Marion's proposed tariff sheet. The Commission has jurisdiction pursuant to Section 367.091, Florida Statutes (F.S.).

¹ See Order No. PSC-02-1168-PAA-WS, issued August 26, 2002, in Docket No. 010869-WS, In re: Application for staff-assisted rate case in Marion County be East Marion Sanitary Systems, Inc.

Discussion of Issues

Issue 1: Should East Marion's proposed tariff sheets to amend its connection/transfer sheet, increase its returned check charge, amend its miscellaneous service charges, increase its meter installation charges and impose a new tap-in fee be suspended?

Recommendation: Yes. East Marion's proposed tariff sheets to amend its connection/transfer sheet, increase its returned check charge, amend its miscellaneous service charges, increase its meter installation charges, and impose a new tap-in fee should be suspended pending further investigation by staff. (Hudson, Redemann)

Staff Analysis: Pursuant to Section 367.091(6), F.S., the tariff sheets proposed by the Utility shall become effective within sixty (60) days after filing, unless the Commission votes to withhold consent of the request. Further, the Commission may withhold consent to 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.

Staff has reviewed the filing and has considered East Marion's proposed charges and information filed in support of the application. Staff believes it is necessary to require amplification and explanation of this data. Staff's review of the application will include further examination. Therefore, staff recommends that East Marion's proposed tariff sheets to amend its connection/transfer sheet, increase its returned check charge, amend its miscellaneous service charges, increase its meter installation charges and impose a new tap-in fee be suspended pending further investigation by staff.

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Issue 2: Should this docket be closed?

Recommendation: No. The docket should remain open pending the Commission's final action on the Utility's requested approval to amend its connection/transfer sheet, increase its returned check charge, amend its miscellaneous service charges, increase its meter installation charges and impose a new tap-in fee. (Bennett, Hudson, Redemann)

Staff Analysis: The docket should remain open pending the Commission's final action on the Utility's requested approval to amend its connection/transfer sheet, increase its returned check charge, amend its miscellaneous service charges, increase its meter installation charges and impose a new tap-in fee.