

By Senator Klein

28-1273-99

1 A bill to be entitled
2 An act relating to water and wastewater
3 systems; amending s. 367.022, F.S.; eliminating
4 an annual report to the Public Service
5 Commission by an exempt utility; amending s.
6 367.0814, F.S.; authorizing interim rate relief
7 in staff-assisted rate cases; providing for
8 interim or temporary rates when a utility
9 becomes exempt during the pendency of a case;
10 amending s. 367.082, F.S.; conforming an
11 inconsistent provision; providing an effective
12 date.

14 Be It Enacted by the Legislature of the State of Florida:

16 Section 1. Section 367.022, Florida Statutes, is
17 amended to read:

18 367.022 Exemptions.--The following are not subject to
19 regulation by the commission as a utility nor are they subject
20 to the provisions of this chapter, except as expressly
21 provided:

22 (1) The sale, distribution, or furnishing of bottled
23 water.+

24 (2) Systems owned, operated, managed, or controlled by
25 governmental authorities, including wastewater facilities
26 operated by private firms under wastewater facility
27 privatization contracts as defined in s. 153.91.+

28 (3) Manufacturers providing service solely in
29 connection with their operations.+

30 (4) Public lodging establishments providing service
31 solely in connection with service to their guests.+

1 (5) Landlords providing service to their tenants
2 without specific compensation for the service.†

3 (6) Systems with the capacity or proposed capacity to
4 serve 100 or fewer persons.†

5 (7) Nonprofit corporations, associations, or
6 cooperatives providing service solely to members who own and
7 control such nonprofit corporations, associations, or
8 cooperatives.†~~and~~

9 (8) Any person who resells water or wastewater service
10 at a rate or charge which does not exceed the actual purchase
11 price thereof,~~if such person files at least annually with the~~
12 ~~commission a list of charges and rates for all water service~~
13 ~~sold, the source and actual purchase price thereof, and any~~
14 ~~other information required by the commission to justify the~~
15 ~~exemption; but such person is subject to the provisions of s.~~
16 ~~367.122.~~

17 (9) Wastewater treatment plants operated exclusively
18 for disposing of industrial wastewater.

19 (10) The sale of bulk supplies of desalinated water to
20 a governmental authority.

21 (11) Any person providing only nonpotable water for
22 irrigation purposes in a geographic area where potable water
23 service is available from a governmentally or privately owned
24 utility or a private well.

25 (12) The sale for resale of bulk supplies of water to
26 a governmental authority or to a utility regulated pursuant to
27 this chapter either by the commission or the county.

28 Section 2. Section 367.0814, Florida Statutes, is
29 amended to read:

30 367.0814 Rates and charges; requests for staff
31 assistance in changing.--

1 (1) The commission may establish rules by which a
2 water or wastewater utility whose gross annual revenues are
3 \$150,000 or less may request and obtain staff assistance for
4 the purpose of changing its rates and charges. A utility may
5 request staff assistance by filing an application with the
6 commission.

7 (2) The official date of filing is established as 30
8 days after official acceptance by the commission of the
9 application. If a utility does not remit a fee, as provided
10 by s. 367.145, within 30 days after acceptance, the commission
11 may deny the application. The commission has 15 months after
12 the official date of filing within which to issue a final
13 order.

14 (3) The provisions of s. 367.081(1), (2)(a), and (3)
15 shall apply in determining the utility's rates and charges.

16 (4) The commission may, upon its own motion or upon
17 petition from the regulated utility, authorize the collection
18 of interim rates until the effective date of the final order.
19 The interim rates may be based upon a test period different
20 from the test period used in the request for permanent rate
21 relief. To establish interim relief, there must be a
22 demonstration that the operation and maintenance expenses
23 exceed the revenues of the regulated utility, and interim
24 rates may not exceed the level necessary to cover operation
25 and maintenance expenses as defined by the NARUC System of
26 Accounts.

27 (5) The commission may require that the difference
28 between the interim rates and the previously authorized rates
29 be collected under bond, escrow, letter of credit, or
30 corporate undertaking, subject to refund with interest at a
31 rate ordered by the commission.

1 ~~(6)(4)~~ The utility, in requesting staff assistance,
2 shall agree to accept the final rates and charges approved by
3 the commission unless the final rates and charges produce less
4 revenue than the existing rates and charges.

5 ~~(7)(5)~~ In the event of a protest or appeal by a party
6 other than the utility, the commission may provide for
7 temporary rates subject to refund with interest.

8 ~~(8)(6)~~ If a utility becomes exempt from commission
9 regulation ~~or jurisdiction~~ during the pendency of a
10 staff-assisted rate case, the request for rate relief is
11 deemed to have been withdrawn. Interim rates, if previously
12 approved, become final. Temporary rates, if previously
13 approved, must be discontinued, and any money collected
14 pursuant to the temporary rates, or the difference between
15 temporary and interim rates, if previously approved, must be
16 refunded to the customers of the utility with interest.

17 ~~(9)(7)~~ The commission may by rule establish standards
18 and procedures whereby rates and charges of small utilities
19 may be set using criteria other than those set forth in s.
20 367.081(1), (2)(a), and (3).

21 Section 3. Subsection (7) of section 367.082, Florida
22 Statutes, is amended to read:

23 367.082 Interim rates; procedure.--

24 (7) If a utility becomes exempt from commission
25 regulation ~~or jurisdiction~~ during the pendency of a rate case,
26 the request for rate relief pending before the commission is
27 deemed to have been withdrawn. Interim rates, if previously
28 approved, must be discontinued, and any money collected
29 pursuant to interim rate relief must be refunded to the
30 customers of the utility with interest.

31 Section 4. This act shall take effect October 1, 1999.

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SENATE SUMMARY

Revises interim rate procedures for water and wastewater utilities.