

RESOLUTION NO. 2010-R-52

A RESOLUTION ESTABLISHING A PRICE INDEX FOR 2010 AND ESTABLISHING PROCEDURES FOR IMPLEMENTING PRICE INDEX RATE ADJUSTMENTS IN COMPLIANCE WITH FLORIDA ADMINISTRATIVE CODE 25-30.420 FOR THE PURPOSES OF REGULATING INVESTOR-OWNED WATER, WASTEWATER, AND EFFLUENT RE-USE SYSTEMS IN COLUMBIA COUNTY

WHEREAS, On May 3, 2007, the Board of County Commissioners of Columbia County enacted Ordinance No. 2007-15, asserting jurisdiction within Columbia County over investor-owned water, wastewater, and effluent re-use systems, as authorized by Chapter 367, Florida Statutes; and

WHEREAS, Ordinance No. 2007-15 was filed with the Florida Department of State and thereby became effective on May 11, 2007; and

WHEREAS, by its own Order, the Florida Public Service Commission acknowledged rescission of its jurisdiction on that date; and

WHEREAS, section 118-225 (k)(2) of the Columbia County Code of Ordinances and Florida Statutes Section 367.081(4)(a), enable the Board Of County Commissions, on or before March 31 of each year, to establish by order a price increase or decrease index in costs from the most recent 12 month historical data available and that the Board of County Commissioners by rule may establish the procedures to determine such indices and the procedures for the Board or utility may implement rate adjustments based upon the indices; and

WHEREAS, section 25-30.420 (1) of the Florida Administrative Code allows for applications for the price index to be accepted from April of the year the index is established through March 31 of the following year and on February 15, 2010 the Florida Public Service Commission established a price index for 2010; and

WHEREAS, although March 31, 2010 has passed, the Board of County Commissioners wishes to permit investor-owned water, wastewater, and effluent re-use systems to have the option to use the 2010 price index to adjust the rates and charges to its customers without those customers bearing the additional expense of a full rate adjustment proceeding and with these adjustments tied to operational and maintenance costs;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF COLUMBIA COUNTY AS FOLLOWS:

Section 1. The Board of County Commissioners establishes the 2010 Price Index as adopted by the Florida Public Service Commission on February 15, 2010 as the 2010 Price Index for Columbia County and that since the 2010 Price Index was established by the FPSC prior to March 31, 2010, the FPSC approval of the Index shall serve as the approval of the Board for 2010;

Section 2. The Board of County Commissioners, by rule, shall establish the following procedures to implement rate adjustment using a price index:

- (1) The County shall mail each regulated water and wastewater utility a copy of the proposed board action order establishing the index for the year and a copy of the application. Applications for the newly established price index will be accepted from April 1 of the year the index is established through March 31 of the following year. The index shall be applied to all operation and maintenance expenses, except for amortization of rate case expense, costs subject to pass-through adjustments pursuant to Section 367.081(4)(b), F.S., and adjustments or disallowances made in a utility's most recent rate proceeding.
- (2) Any utility seeking to increase or decrease its rates based upon the application of the index established pursuant to subsection (1) and as authorized by Section 367.081(4)(a), F.S., shall file an original and five copies of a notice of intention and the materials listed in (a) through (i) below with Columbia County at least 60 days prior to the effective date of the increase or decrease. The adjustment in rates shall take effect on the date specified in the notice of intention unless the Board finds that the notice of intention or accompanying materials do not comply with the law, or the rules or orders of the Board. The notice shall be accompanied by:

 - (a) Revised tariff sheets;
 - (b) A computation schedule showing the increase or decrease in annual revenue that will result when the index is applied;
 - (c) The affirmation required by Section 367.081(4)(c), F.S.;
 - (d) A copy of the notice to customers required by subsection (6);

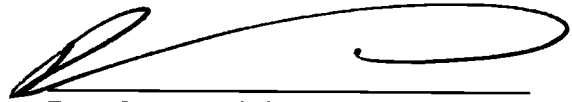
- (e) The rate of return on equity that the utility is affirming it will not exceed pursuant to Section 367.081(4)(c), F.S.;
 - (f) An annualized revenue figure for the test year used in the index calculation reflecting the rate change, along with an explanation of the calculation, if there has been any change in the utility's rates during or subsequent to the test year;
 - (g) The utility's Department of Environmental Protection Public Water System identification number and Wastewater Treatment Plant Operating Permit number.
 - (h) A statement that the utility does not have any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Protection (DEP) or the County Health Department(s) or that the utility does have active written complaints, corrective orders, consent orders, or outstanding citations with the DEP or the County Health Department(s).
 - (i) A copy of any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Protection (DEP) or the County Health Department(s).
- (3) If the Board, upon its own motion, implements an increase or decrease in the rates of a utility based upon the application of the index established pursuant to subsection (1) and as authorized by Section 367.081(4)(a), F.S., the Board will require a utility to file the information required in subsection (2).

- (4) Upon a finding of good cause, the Board may require that a rate increase pursuant to Section 367.081(4)(a), F.S., be implemented under a bond or corporate undertaking in the same manner as interim rates. For purposes of this subsection, "good cause" shall include:
- (a) Inadequate service by the utility;
 - (b) Inadequate record-keeping by the utility such that the Board is unable to determine whether the utility is entitled to implement the rate increase or decrease under this rule.
- (5) Prior to the time a customer begins consumption at the rates established by application of the index, the utility shall notify each customer of the increase or decrease authorized and explain the reasons therefore.
- (6) No utility shall file a notice of intention pursuant to this rule unless the utility has on file with the Board an annual report as required by subsection 25-30.110(3), F.A.C., for the test year specified in the order establishing the index for the year.
- (7) No utility shall implement a rate increase pursuant to this rule within one year of the official date that it filed a rate proceeding, unless the rate proceeding has been completed or terminated.

Section 3. The Rule shall be effective immediately.

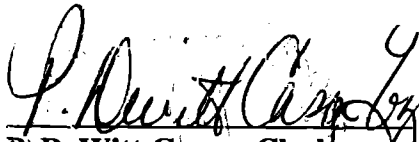
Adopted this 18th day, November, 2010.

**COLUMBIA COUNTY BOARD
OF COUNTY COMMISSIONERS**



Ronald W. Williams, Chairman

ATTEST:



P. DeWitt Cason, Clerk

