

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment of Certificate No. 347-W to delete territory in Marion County by Marion Utilities, Inc. | DOCKET NO. 110216-WU
ORDER NO. PSC-11-0585-FOF-WU
ISSUED: December 21, 2011

The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING MARION UTILITIES, INC.'s
APPLICATION TO AMEND WATER CERTIFICATE NO. 347-W

BY THE COMMISSION:

Background

Marion Utilities, Inc. (Marion or utility) is a Class A utility which provides service in Marion County to approximately 6,000 water and 109 wastewater customers. The utility is primarily in the St. Johns River Water Management District, all of which is considered a Water Resource Caution Area. The utility's 2010 annual report shows a combined water and wastewater annual operating revenue of \$1,563,720 and a net operating income of \$56,854.

On July 1, 2011, pursuant to Section 367.045, Florida Statutes (F.S.), the utility applied for an amendment to delete from Water Certificate No. 347-W, a subdivision called International Villas. The subdivision has an independent water system to maintain continuity of water service to the 28 apartments. We have jurisdiction pursuant to Section 367.045, F.S.

Decision

On July 1, 2011, Marion applied for an amendment to delete a subdivision known as International Villas (Logans Run) from its certificated area. The water system serving the International Villas development is owned by Gupta Realty Corp. of Daytona Beach. Marion added this system to its certificate in 1983, and has billed the customers and collected the monthly revenues since then.

The water treatment facilities are owned by Mr. Avinash Gupta. While there are 28 apartments available for residents, only about half are occupied and the cash flow from the customers make the operation of this system no longer economically feasible for Marion Utilities. Marion has contacted the owner of the realty company that manages the apartments, providing the name of the plant operator should the property owner want to continue that

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arrangement. The City of Ocala has a water system adjacent to the development should the property owner be interested in obtaining water from the city's system. There are no outstanding issues of compliance with the Department of Environmental Protection (DEP). DEP has been notified of Marion's intent to cease its operation of this water plant and system.

Marion has indicated that it will close all customer accounts and refund any deposits collected when the plant operation is returned to the plant owner. Our staff has contacted the property manager to determine whether the provision of water service to the residents will be included in the rent or billed by the owner. Our staff will continue to follow up with the property manager to determine whether the system will be exempt pursuant to Section 367.022(5), F.S., if the cost of water is included in the customer's rent, or whether the utility will need a certificate and rates and charges if the utility wishes to continue to charge for water service pursuant to 367.021(12), F.S.

An adequate service territory map and a territory description have been provided as prescribed by Rule 25-30.036(3)(e) and (i), Florida Administrative Code (F.A.C.). A description of the territory requested to be deleted by the utility is appended to this Order as Attachment A. The utility has submitted an affidavit consistent with Section 367.045(2)(d), F.S., that it has tariffs and annual reports on file with us. In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, F.A.C. Notice has been provided to each of the customers. No objections to the application have been received and the time for filing such has expired.

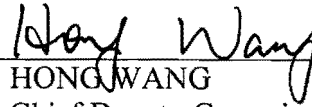
Therefore, we find that it is in the public interest to approve the application filed by Marion Utilities, Inc. to amend its water certificate to delete the territory shown on Attachment A from its certificated service area. The resultant Order shall serve as Marion's amended certificate and shall be retained by the Utility.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that it is in the public interest to approve the application filed by Marion Utilities, Inc. to amend its water certificate to delete the territory shown on Attachment A from its certificated service area. The resultant Order shall serve as Marion's amended certificate and shall be retained by the Utility. It is further

ORDERED that no further action is required, and the docket shall be closed.

By ORDER of the Florida Public Service Commission this 21st day of December, 2011.



HONG WANG
Chief Deputy Commission Clerk
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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.

MARION UTILITIES, INC.
INTERNATIONAL VILLAS a/k/a LOGANS RUN
DESCRIPTION OF WATER TERRITORY TO BE DELETED
MARION COUNTY

In Township 15 South, Range 21 East, a portion of Sections 21 and 28:

The East 1/2 of the Southwest 1/4 of the Southeast 1/4 of said Section 21;

The East 1/2 of the Southwest 1/4 of the Southeast 1/4 of said Section 28

FLORIDA PUBLIC SERVICE COMMISSION
authorizes
Marion Utilities, Inc.
pursuant to
Certificate Number 347-W

to provide water service in Marion County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, canceled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
10566	02/03/82	820018-W	Amendment
11104	08/26/82	820107-W	Amendment
11568	01/31/83	810259-W	Amendment
11650	02/23/83	820527-W	Amendment
12653	11/03/83	830168-W	Amendment
13264	05/04/84	840109-WU	Amendment
13674	09/12/84	850058-WU	Amendment
14498	06/24/85	850167-WU	Amendment
14519	06/27/85	850094-WU	Amendment
15533	01/09/86	850847-WU	Amendment
15676	02/17/86	860109-WU	Amendment
17682	06/09/87	870543-WU	Amendment
18014	06/19/87	870809-WU	Amendment
18016	08/09/87	870795-WU	Amendment
19578	06/08/88	880547-WU	Amendment
21239	05/16/89	890396-WU	Amendment
21240	05/16/89	890397-WU	Amendment
22648	03/08/90	891381-WU	Amendment
22976	05/24/90	900152-WU	Amendment
23944	12/28/90	900558-WU	Transfer/Amendment
24028	01/24/91	900779-WU	Amendment
24653	06/11/91	910495-WU	Amendment
25563	01/03/92	910793-WU	Amendment
25565	01/03/92	910770-WU	Amendment
PSC-92-0743-FOF-WU	07/30/92	920159-WU	Amendment
PSC-97-0683-FOF-WU	06/11/97	970117-WU	Amendment
PSC-97-0831-FOF-WU	07/11/97	970119-WU	Amendment
PSC-98-0429-FOF-WU	03/26/98	971498-WU	Deletion
PSC-98-0452-FOF-WU	03/31/98	961531-WU	Amendment
PSC-02-1047-FOF-WU	08/02/02	991104-WU	Amendment
PSC-03-0337-PAA-WU	03/10/03	020650-WU	Transfer/Deletion
PSC-03-1343-PAA-WU	11/24/03	020928-WU	Amendment
PSC-11-0585-FOF-WU	12/21/11	110216-WU	Deletion