

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of ROOKERY BAY	)	DOCKET NO. 880611-SU
UTILITY COMPANY for transfer of	)	ORDER NO. 20957
Certificate No. 382-S from Riverwood	)	ISSUED: 3-29-89
Associates in Collier County.	)	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, CHAIRMAN  
 THOMAS M. BEARD  
 BETTY EASLEY  
 GERALD L. GUNTER  
 JOHN T. HERNDON

ORDER APPROVING TRANSFER OF CERTIFICATE,  
 CANCELLING CERTIFICATE NO. 382-S, AMENDING  
 CERTIFICATE NO. 383-S AND REQUIRING ROOKERY BAY  
 TO CHARGE THE RATES AND CHARGES APPROVED  
 FOR RIVERWOOD ASSOCIATES

AND

NOTICE OF PROPOSED AGENCY ACTION  
 ESTABLISHING RATE BASE AS ZERO, SETTING ASIDE  
 SEWER AGREEMENT TO THE EXTENT IT ATTEMPTS TO SET  
 RATES AND CHARGES, AND REQUIRING ROOKERY BAY TO  
 MAINTAIN THE COLLECTION SYSTEM  
 IN THE RIVERWOOD SERVICE AREA

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein, except for the portion approving the transfer of territory, cancelling Certificate No. 382-S, amending Certificate No. 383-S, and requiring Rookery Bay Utility Company to use the rates and charges approved by this Commission for Riverwood Associates, is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

APPLICATION

On April 25, 1988, Mr. James F. Spade, President of Rookery Bay Utility Company (Rookery Bay), made application for approval of the transfer to Rookery Bay of the service territory of Riverwood Associates (Riverwood) in Collier County, represented by Certificate No. 382-S. The application complied with the requirements of Section 367.071, Florida Statutes, and the other pertinent statutes and administrative rules concerning applications for transfer. In particular, the notarized application contained:

- a) A check in the amount of \$150.00, the correct filing fee prescribed by Section 367.141, Florida Statutes;

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- b) Adequate service territory description pursuant to Rule 25-30.035(i), Florida Administrative Code. Said territory to be served is described as being in Collier County, and more particularly as described by Appendix "A", attached;
- c) Proof of notice to all customers of record pursuant to Rule 25-30.030, Florida Administrative Code;
- d) Proof of notice to all governmental/regulatory agencies, all utilities within a 4-mile radius, and proof of advertisement in a newspaper of general circulation in the county, pursuant to Rule 25-30.030, Florida Administrative Code.

We received no objections to this application.

#### APPROVAL OF TRANSFER OF SERVICE TERRITORY

The application requests that this Commission approve the transfer of the Riverwood service territory to Rookery Bay Utility Company. However, Riverwood no longer exists as a utility and Rookery Bay now serves the Riverwood customers as part of one sewer system. Southwind Mobile Village (Southwind) is a company affiliated with Riverwood. The package plant formerly located at Riverwood East No. 2 was moved to Southwind as part of an agreement between Riverwood and Rookery Bay. When the package plant was moved, an interconnection with the Rookery Bay collection system was made. The agreement provided for Riverwood to transfer its service area and customers to Rookery Bay on the condition that Rookery Bay treat the sewage. It also provided that Riverwood was to maintain the collection system. No assets have been exchanged between Riverwood and Rookery Bay because Collier County holds title to the lines in the Riverwood service area.

It is apparent that this transfer has already occurred and that the utilities involved should have applied for our approval prior to the transfer being consummated. However, in determining if a transfer should be approved, our most important consideration is whether the public interest will be served. Therefore, we must consider what the effect of not approving the transfer would be on the customers of Riverwood. In its application, Rookery Bay states that the transfer is in the public interest due to the elimination of a sewage treatment plant. We agree. The elimination of the Riverwood sewage treatment plant creates a need for these customers to be served by another system. If we disapprove this transfer, the customers and Riverwood will be faced with becoming a bulk customer of Rookery Bay or with being required to place another sewage treatment plant in service. The interconnect with Rookery Bay will provide the customers of Riverwood with continuous service and, therefore, we find it appropriate to approve this transfer, and find that Certificate No. 383-S shall be amended to include the service area included in Certificate No. 382-S and that Certificate No. 382-S be cancelled.