#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application of Alafaya ) DOCKET NO. 920885-SU
Utilities, Inc. for amendment of ) ORDER NO. PSC-93-0358-FOF-SU
Certificate No. 379-S in ) ISSUED: 03/08/93
Seminole County, Florida.

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman SUSAN F. CLARK JULIA L. JOHNSON LUIS J. LAUREDO

# ORDER GRANTING AMENDMENT OF CERTIFICATE NO. 379-S

### AND

NOTICE OF PROPOSED AGENCY ACTION
ORDER ESTABLISHING RATE FOR TREATED EFFLUENT
USED IN SPRAY IRRIGATION BY GOLF COURSE

### BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is final except for the establishment of a rate for treated wastewater effluent used in spray irrigation by a golf course, which is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

### Background

On September 1, 1992, Alafaya Utiliti≥s, Inc. (Alafaya or utility) filed an application with this Commission for amendment of its Certificate to include additional territory in Seminole County. The utility currently provides wastewater service to approximately 3,346 customers. Water service is provided by the City of Oviedo.

The territory Alafaya is requesting to serve is a development known as Little Creek. The development will consist of approximately 449 single family homes, which will be served by the utility's existing plant.

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## Application

The application is in compliance with Section 367.045, Florida Statutes, and other pertinent statutes and rules. In particular, the application contains a filing fee in the amount of \$150, as prescribed by Rule 25-30.020, Florida Administrative Code. The utility also provided evidence in the form of a warranty deed that it owns the land upon which the facilities are located.

Adequate service territory and system maps and a territory description have been provided, as required by Rule 25-30.036(1)(e), (f) and (i), Florida Administrative Code. The additional territory which Alafaya has requested to serve is described in Attachment A of this Order, which by reference is incorporated herein.

Alafaya has also provided proof of compliance with the noticing provisions of Rule 25-30.030, Florida Administrative Code. No objections to the application have been filed and time for filing such has expired.

As stated previously, the additional territory will be served by Alafaya's existing facilities. The utility's treatment plant has the capacity to treat 2.4 million gallons per day (mgd); current flows are less than 1.0 mgd. At build out, the additional territory is expected to place a demand of .15 mgd on the plant.

It should also be noted that Alafaya will collect service availability charges from the developer to off-set existing investment. In addition, the utility will require the contribution of all lines and other collection facilities in the new territory. Therefore, it appears that Alafaya has the financial ability to serve the customers in the territory which the utility has requested to serve.

Since Alafaya has been in operation for approximately seven years providing satisfactory service to its customers, we find that the utility has demonstrated that it has the technical ability to provide service in the new territory. Also, according to the Department of Environmental Regulation (DER), there are no outstanding notices of violation against the utility.

Based on the foregoing, we find that it is in the public interest to amend Certificate No. 379-S, held by Alafaya, to include the territory described in Attachment A. Alafaya has

returned Certificate No. 379-S to the Commission for entry reflecting the additional territory. The utility has also filed revised tariff sheets reflecting the additional territory.

## Rates and Charges

Alafaya's approved wastewater rates became effective August 11, 1992, pursuant to WS-92-0168, a price index proceeding. Service availability charges were effective October 11, 1985, pursuant to Order No. 14841, issued in Docket No. 850209-SU. Alafaya shall charge the customers in the territory added herein the rates and charges approved in its tariff until authorized to change by this Commission.

Alafaya does not currently have a rate authorized for wastewater effluent provided to golf courses for spray irrigation. During the review of the application, it was determined that the utility is disposing of the treated wastewater effluent by means of spray irrigation to the golf course owned by Ekana Golf and Country Club, Inc. (Ekana or golf course), pursuant to an agreement between the parties executed on November 8, 1988. The agreement, which was never filed with the Commission for approval, allows the utility to transmit treated effluent to storage areas at the golf course at an average rate of 448,000 gallons per day on an annual basis.

The utility installed the wastewater effluent line from the treatment plant to the golf course storage area, and is responsible for maintenance of the line. The golf course is responsible for the installation and maintenance of the storage areas and the irrigation system. According to the agreement, the utility pays the golf course \$10.00 per year for the ability to dispose of its treated effluent. The agreement does not make provision for a charge to the golf course for receipt of the effluent.

Utilities are encouraged to utilize their treated effluent for irrigation purposes whenever possible as a means of water conservation. Both the utility and the reuse customer benefit from using the treated effluent for spray irrigation. In determining whether or not there should be a charge for receipt of the effluent, the Commission considers the utility's ability to dispose of the effluent without the spray irrigation customer, costs of alternative means of disposal, and alternatives for the spray irrigation customer.

The utility's service area is located in an area designated by the St. Johns River Water Management District (Management District) as a critical use area. The Management District is the agency that issues consumptive use permits for withdrawal of water from surface and groundwater sources. On October 13, 1987, the owner of the golf course received a consumptive use permit, which allows the golf course to obtain irrigation water from surface water and groundwater sources. Although the permit does not require the golf course to accept treated effluent for irrigation, it does provide for a decrease over time in the amount of water allowed to be withdrawn from surface water or groundwater sourses for irrigation.

When a consumptive use permit expires, the Management District often requires golf courses to use effluent water for irrigation, where available, especially in critical use areas as a means of conservation. Ekana's permit expires in 1994.

Since, at this time, it appears that Ekana has viable alternatives to using the utility's treated effluent for irrigation, we do not find it appropriate to require the utility to charge the golf course for the effluent. Alafaya is directed to file a tariff sheet reflecting that the charge for treated effluent used for spray irrigation is zero.

When the golf course's permit expires in 1994, the Management District may require the golf course to accept treated effluent from the utility. At that time, a charge may be appropriate to help defray some of the costs of providing the service and to recognize that the golf course is receiving benefit from receipt of the effluent. Therefore, so that we may determine whether or not there is a need to revise the charge, Alafaya is directed to file a report by December 31, 1994, reflecting the status of Ekana's consumptive use permit.

It is, therefore,

ORDERED by the Florida Public Service Commission that Certificate No. 379-S, held by Alafaya Utilities, Inc., 110 Alafaya Woods Boulevard, Oviedo, Florida 32765, is hereby amended to include the territory described in Attachment A of this Order. It is further

ORDERED that Alafaya Utilities, Inc. shall charge the customers in the territory added herein the rates and charges approved in its tariff until authorized to change by this Commission. It is further

ORDERED that the rate for treated wastewater effluent used for spray irrigation shall be zero. Alafaya Utilities, Inc. shall file a tariff sheet reflecting this charge within 30 days of the date of this Order. It is further

ORDERED that Alafaya Utilities, Inc. shall file a report by December 31, 1994, reflecting the status of Ekana Golf and Country Club's consumptive use permit so that we may determine whether or not the charge for treated effluent used for spray irrigation should be changed. It is further

ORDERED that the provision of this Order establishing a rate for treated effluent used in spray irrigation by Ekana Golf and Country Club is issued as proposed agency action and shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

By ORDER of the Florida Public Service Commission this <u>8th</u> day of March, <u>1993</u>.

STEVE TRIBBLE, Director Division of Records and Reporting

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by: Kay Herrican Chief, Bureau of Jecords

# NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

identified in the body of this order, our action establishing a rate for treated effluent used for spray irrigation is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida This petition must be received by the Administrative Code. Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 29, 1993. In the absence of such a petition, this order shall become effective on the date subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If the relevant portion of this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting 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 of the effective date 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.

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 Director, Division of Records and Reporting 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 or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting 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.

### ATTACHMENT A

## ALAFAYA UTILITIES, INC.

# Territory Description

Township 21 South, Range 31 East

In Section 25

The Northwest 1/4 of the Southwest 1/4.
The North 3/4 of the Southwest 1/4 of the Southwest 1/4.

In Section 26

The East 3/4 of the Northeast 1/4 of the Southeast 1/4.

The East 3/4 of the South 1/4, less that portion lying North and West of the Centerline of the Northwest branch of the Little Econlockhatchee River.