MEMORANDUM

August 5, 1993

DIVISION OF LEGAL SERVICES (CROSBY) TO DIVISION OF RECORDS AND REPORTING

FROM :

DIVISION OF WATER AND WASTEWATER (MCROY) DOCKET NO. 930412-WS, APPLICATION BY SOUTHERN STATES RE : UTILITIES, INC. FOR AMENDMENT OF CERTIFICATES NO. 373-W AND 322-S IN MARION COUNTY, FLORIDA

Southern States Utilities, Inc. (SSU or Utility) provides water and wastewater service in 27 counties throughout the State of Florida. The annual report for 1992 indicates that the operating revenue for water is \$19,042,175 and wastewater \$9,370,486. The net operating income for water is \$2,979,619 and for wastewater is (\$611,642). The Utility is a Class A utility company under FPSC jurisdiction.

On April 21, 1993, the utility applied for an amendment to Water Certificate No. 373-W and Wastewater Certificate No. 322-S in Marion County, Florida. The proposed territories are immediately adjacent to the utility's existing territory in Marion County. SSU is currently serving customers in the proposed amendment areas. SSU is currently in compliance with Order No. PSC-93-0202-FOF-WS, issued on February 9, 1993. That order approved SSU's schedule for submitting amendment applications.

SSU's Marion Oaks portion of the amendment is not in a critical use area as defined by the South Florida Water Management District. However, the Salt Springs portion of the amendment is in a critical use area as defined by the St. Johns River Water Management District. The Salt Springs development has a small water and wastewater plant. The capacity of the water plant is 150,000 gallon per day and the wastewater plant capacity is 85,000 gallons per day. Currently, the wastewater system is not sized to provide reclaimed water, however should the utility flows reaches / 100,000 gallons per day, reuse requirement should then be addressed. The amendment is consistent with Marion County Comprehensive Plan and there will be no additional water or wastewater facilities built to serve the proposed territory. Service will be provide by extending existing transmission and distribution lines.

DOCUMENT NUMBER-DATE

08774 AUG 16 8

FFSC-RECORDS/REPORTING

10

3

The application is in compliance with the governing statute, Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for amendment of certificate. The application contains a check in the amount of \$300.00 which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The applicant has provided evidence that the utility owns the land upon which the utility's facilities are located as required by Rule 25-30.036(1)(d), Florida Administrative Code in the form of a warranty deed.

Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.036(1)(e),(f) and (i), Florida Administrative Code. A description of the territory requested by the utility is appended to this memorandum as Attachment A. The utility has submitted an affidavit consistent with Section 367.045(2)(d), Florida Statutes, that it has tariffs and annual reports on file with the Commission.

In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. No objections to the notice of application have been received and the time for filing such has expired.

Presently, SSU provides quality water and wastewater service to the residents of Marion County. The utility has the capability and financial resources to adequately service the proposed new territory. The proposed new territory will have no substantial effect on the utility's financial status. SSU currently has no outstanding violation reported by the Department of Environmental Regulation.

The utility's approved water and wastewater rates were effective September 18,1992, pursuant to Order No. PSC-92-0948-FOF-SU, issued in Docket No. 920199-WS, a rate case docket. The utility has indicated that the proposed amendment will have no significant impact on its existing rates and charges. Staff recommends that these rates and charges be applied to customers in the new service territory.

The utility has filed revised tariff sheets incorporating the additional territory into its tariff and has submitted Certificates Nos. 373-W and 322-S for entry reflecting the additional territory.

- 2 -

Based on the above information, staff believes it is in the public interest to grant the application of Southern States Utilities, Inc. for amendment of Water Certificate No. 373-W and Wastewater Certificate No. 322-S for the territory described in Attachment A. An administrative order should be issued approving the application.

.1

ATTACHMENT A

WATER TERRITORY

Salt Springs

Township 13 South, Range 26 East, Marion County, Florida.

That portion of the Joseph M. Hernandez Grant lying East of State Road 19, extending for 1,000 feet into the U. S. Forestry Service land, that is also lying between Fort Gates Ferry Road to the North and the intersection of State Road 314 and State Road 19 to the South.

.

ATTACHMENT A

WASTEWATER TERRITORY

Salt Springs

Township 13 South, Range 26 East, Marion County, Florida.

That portion of the Joseph M. Hernandez Grant lying East of State Road 19, extending for 1,000 feet into the U.S. Forestry Service land, that is also lying between Fort Gates Ferry Road to the North and the intersection of State Road 314 and State Road 19 to the South.

Marion Oaks

Township 17 South, Range 21 East, Marion County, Florida.

Section 15

The East 1/4 of the Southwest 1/4 of said Section 15.

Township 17 South, Range 21 East, Marion County, Florida.

Section 26

The North 3/4 of the West 1/2 of the Northeast 1/4 of said Section 26.

and

The West 1/4 of the Northeast 1/4 of the Northeast 1/4 of said Section 26

- 5 -