

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for ) DOCKET NO. 941341-SU  
certificate to provide ) ORDER NO. PSC-95-0478-FOF-SU  
wastewater service in Charlotte ) ISSUED: April 13, 1995  
County by SANDALHAVEN UTILITY, )  
INC. )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON  
JOE GARCIA  
JULIA L. JOHNSON  
DIANE K. KIESLING

ORDER GRANTING GRANDFATHER CERTIFICATE, APPROVING  
RATES AND CHARGES, AND CLOSING DOCKET

BY THE COMMISSION:

Background

Pursuant to Section 367.171, Florida Statutes, on September 27, 1994, the Board of County Commissioners of Charlotte County (Charlotte County) adopted a resolution giving this Commission jurisdiction over privately owned water and wastewater utilities in Charlotte County. By Order No. PSC-94-1451-FOF-WS, issued November 28, 1994, we acknowledged the County's resolution. On December 29, 1994, pursuant to Section 367.171, Florida Statutes, Sandalhaven Utility, Inc., (Sandalhaven or utility) filed an application for a grandfather certificate.

Sandalhaven is a Class C utility providing wastewater service to residential, general service, and multi-family customers in Charlotte County. Sandalhaven was serving 605 wastewater customers as of September 30, 1994. In 1994, Sandalhaven had annual operating revenues of \$148,446, and a net operating income of \$19,899. According to its application, Sandalhaven was established on June 29, 1983. Sandalhaven will serve 2,000 customers when it is built-out. Sandalhaven's facilities include one wastewater treatment plant and one wastewater collection system.

DOCUMENT NUMBER-DATE

03709 APR 13 1995

FPSC-RECORDS/REPORTING

Application

Sandalhaven has complied with Section 367.171, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for a grandfather certificate. Sandalhaven's application contains a \$1,000 check which is the correct filing fee, pursuant to Rule 25-30.020, Florida Administrative Code. Sandalhaven has also provided evidence that it owns the land where the facilities are located, as required by Rule 25-30.035(6), Florida Administrative Code. Sandalhaven has further provided adequate service territory, system maps, and a territory description, pursuant to Rules 25-30.035(9), (10) and (11), Florida Administrative Code. The territory description has been appended to this Order as Attachment A. In addition, according to the Department of Environmental Protection (DEP), Sandalhaven is operating in accordance with DEP's requirements.

Based on the foregoing, we find that it is in the public interest to grant Sandalhaven a grandfather certificate. Accordingly, Sandalhaven is granted Wastewater Certificate No. 495-S to serve the territory described in Attachment A, which by reference is incorporated herein.

Rates and Charges

The following are Sandalhaven's current wastewater rates and charges.

Monthly Service Rates

Residential Service

Base Facility Charge

Meter Size:

All Meter Sizes \$ 12.00

Gallage Charge

per 1,000 gallons \$ 2.59  
(Maximum 8,000 gallons)

General Service

Base Facility Charge

Meter Size:

5/8" x 3/4" \$ 12.00  
1" 30.00  
1-1/2" 60.00  
1-1/2" (Restaurant only - 15 ERCs) 180.00  
2" 96.00

Gallage Charge  
per 1,000 gallons \$ 2.59

Multi-Residential Service

Base Facility Charge

Meter Size:

All Meter Sizes \$ 12.00 per living  
unit whether  
occupied or not

Gallage Charge  
per 1,000 gallons: \$ 2.59  
(Maximum 8,000 gallons per living  
unit excluding amenities)

Customer Deposits

Residential: N/A

General Service: Estimated charges for  
service for 2 billing  
periods

Miscellaneous Service Charges

Initial Connection \$ 15.00  
Normal Reconnection 15.00  
Violation Reconnection Actual Cost  
Premises Visit (in lieu  
of disconnection) 10.00

Service Availability Charges

Plant Capacity Charge:

Residential - per ERC (190 GPD) \$1,250.00  
All others - per gallon 6.58

Customer Connection (Tap-in) Charge:

All Meter Sizes Actual Cost

Inspection Fee: Actual Cost

Plan Review Charge: Actual Cost

Guaranteed Revenue Charge:

With Prepayment of Service Availability Charges:

Residential - per ERC/month N/A  
All others - per gallon/month N/A

Without Prepayment of Service Availability Charges:

Residential - per ERC/month	Applicable BFC per month
All others - per gallon/month	Applicable BFC per month

We find that these rates and charges are reasonable, and they are approved. Sandalhaven shall charge these rates and charges until we authorize a change in a subsequent proceeding. Sandalhaven has filed a tariff reflecting the above rates and charges. The effective date of the rates and charges shall be the stamped approval date of the tariff.

CIAC Gross-Up

Charlotte County granted Sandalhaven authorization to collect gross-up for contributions-in-aid-of-construction (CIAC). By Order No. 16971, issued December 18, 1986, we granted approval for water and wastewater utilities to amend their service availability policies to meet the tax impact of CIAC resulting from the amendment of Section 118(b) of the Internal Revenue Code. By Order No. 23541, issued October 1, 1990, we ordered utilities currently grossing-up CIAC to file a petition for continued authority to gross-up and also ordered that no utility shall gross-up CIAC without first obtaining our approval. Since Sandalhaven could lose money that it might be entitled to collect, we hereby grant Sandalhaven authority to continue collecting gross-up of CIAC on an interim basis, subject to refund with interest. Any gross-up monies that Sandalhaven collects, starting from September 27, 1994, shall be placed in an interest bearing escrow account.

Pursuant to Rule 25-30.360(6), Florida Administrative Code, Sandalhaven shall provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund. Also, pursuant to Order No. 23541, Sandalhaven shall file the information required for authority to gross-up, within 90 days of the issuance date of this Order. A separate docket shall be opened to evaluate the utility's CIAC gross-up.

Orders Nos. 16971 and 23541 discuss the accounting treatment of CIAC gross-up collections and allow periodic withdrawals of monies for the payment of any estimated taxes. Since we have allowed Sandalhaven to gross-up on an interim basis only, Sandalhaven shall not withdraw any monies, collected on or after September 27, 1994, from the escrow account until we make our final determination.

Regulatory Assessment Fees

Rule 25-30.110(3), Florida Administrative Code, states "Each utility shall file with the Commission annual reports on forms prescribed by the Commission. The obligation to file an annual report for any year shall apply to any utility which is subject to this Commission's jurisdiction as of December 31 of that year, whether or not the utility has actually applied for or been issued a certificate." Rule 25-30.120(2), Florida Administrative Code, states "The obligation to remit the regulatory assessment fees for any year shall apply to any utility which is subject to this Commission's jurisdiction on or before December 31 of that year or for any part of that year, whether or not the utility has actually applied for or been issued a certificate." As previously stated, we have had jurisdiction over Sandalhaven since September 27, 1994. Accordingly, we hereby give Sandalhaven 45 days, following the issuance date of this Order, to file these items.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Sandalhaven Utility, Inc., 6800 Placida Road, Englewood, Florida 34224, is hereby granted Wastewater Certificate No. 495-S to serve the territory described in Attachment A of this Order. It is further

ORDERED that Sandalhaven Utility, Inc., shall charge its customers the rates and charges approved herein until authorized to change by this Commission. It is further

ORDERED that the tariff sheets filed by Sandalhaven Utility, Inc., reflecting these rates and charges shall be effective on the stamped approval date on the tariff sheets. It is further

ORDERED that Sandalhaven Utility, Inc., shall continue collecting gross-up of contributions-in-aid-of-construction on an interim basis, subject to refund with interest. It is further

ORDERED that, pursuant to Order No. 23541, issued October 1, 1990, Sandalhaven Utility, Inc., shall file the information required for authority to gross-up, within 90 days of the issuance date of this Order. It is further

ORDERED that any gross-up funds that Sandalhaven Utility, Inc., collects, on or after September 27, 1994, shall be placed in an interest bearing escrow account. It is further

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ORDERED that, pursuant to Rule 25-30.360(6), Florida Administrative Code, Sandalhaven Utility, Inc., shall provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund. It is further

ORDERED that until we make our final determination, Sandalhaven Utility, Inc., shall not withdraw any monies collected on or after September 27, 1994, from the escrow account. It is further

ORDERED that this docket is closed.

By ORDER of the Florida Public Service Commission, this 13th day of April, 1995.

BLANCA S. BAYO, Director  
Division of Records and Reporting

by: Kay Flynn  
Chief, Bureau of Records

( S E A L )

ELS

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.

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 and/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

Sandalhaven Utility, Inc.

TERRITORY DESCRIPTION

The following described lands located in portions of Sections 21, 27, 28, 33 and 34, Township 41 South, Range 20 East, AND Section 3, Township 42 South, Range 20 East, Charlotte County, Florida:

Township 41 South, Range 20 East:

Section 21

All that portion of the Southwest 1/4 of said Section 21 lying South of Buck Creek and East of Lemon Bay AND that portion of the Southwest 1/4 of the Southeast 1/4 lying South of Buck Creek and West of State Road 775 as it is now constructed.

Section 27

The West 2400 feet more or less of said Section 27.

Section 28

All that portion of said Section 28 lying East of Lemon Bay.

Section 33

All that portion of said Section 33 lying East of Lemon Bay.

Section 34

The West 2400 feet more or less of said Section 34.

Township 42 South, Range 20 East:

Section 3

All that portion of the Northwest 1/4 of said Section 3 lying East of Lemon Bay and North and West of an existing canal.