

State of Florida



Public Service Commission
CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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COMMISSION
CLERK

DATE: MARCH 6, 2003

TO: DIRECTOR, DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES (BAYÓ)

FROM: DIVISION OF ECONOMIC REGULATION (RIEGER, JOHNSON) *SOB*
OFFICE OF THE GENERAL COUNSEL (CROSBY, HELTON) *JOHNSON*

RE: DOCKET NO. 020928-WU - APPLICATION FOR AMENDMENT OF WATER
CERTIFICATE NO. 347-W TO EXTEND TERRITORY AND APPLICATION
TO INCREASE SERVICE AVAILABILITY CHARGES FOR SUMMERBROOKE
SERVICE AREA IN MARION COUNTY BY MARION UTILITIES, INC.
COUNTY: MARION

AGENDA: MARCH 18, 2003 - REGULAR AGENDA - DECISION ON SUSPENSION
OF CHARGES - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 60-DAY SUSPENSION DATE: APRIL 1, 2003

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\020928.RCM

CASE BACKGROUND

Marion Utilities, Inc. (Marion or utility) is a Class A utility which provides service in Marion County to approximately 4,724 water and 118 wastewater customers. The utility is primarily in the St. Johns River Water Management District, all of which is considered a water use caution area. The utility's 2001 annual report shows a combined water and wastewater annual operating revenue of \$1,119,363 and a net operating income of \$115,889.

Pursuant to Section 367.045, Florida Statutes, on August 28, 2002, the utility applied for an amendment to Water Certificate No. 347-W to include a planned 38 ERC residential area known as SummerBrooke. The utility intends to provide water service to SummerBrooke by interconnecting with its Fore Acre system. In

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

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DATE: March 6, 2003

conjunction with the amendment application, on January 31, 2003, the utility filed a developer agreement with the Commission which included new service availability charges for the proposed SummerBrooke development. The utility currently has service availability charges for the Fore Acre system to which the SummerBrooke development will be connected. In the instant case, the utility is requesting new service availability charges for the new customers in the proposed SummerBrooke development.

This recommendation solely addresses the suspension of the utility's proposed tariff sheet. The Commission has jurisdiction pursuant to Section 367.091, Florida Statutes.

DISCUSSION OF ISSUES

ISSUE 1: Should Marion Utilities, Inc.'s proposed tariff sheet for service availability charges for the proposed SummerBrooke service area be suspended?

RECOMMENDATION: Yes, Marion Utilities, Inc.'s proposed tariff sheet for service availability charges for the proposed SummerBrooke service area should be suspended pending further investigation by staff. This docket should remain open pending the completion of staff's investigation. (RIEGER, JOHNSON, CROSBY, HELTON)

STAFF ANALYSIS: Section 367.091(6), Florida Statutes, states that the Commission may withhold consent to the operation of any or all portions of new rate schedules, by a vote to that effect within 60 days giving a reason or statement of good cause for withholding its consent.

Staff has reviewed the filing and has considered the utility's proposed charges and the information filed in support of the application. Staff believes it is reasonable and necessary to require further amplification and explanation of this data and to require production of corroborative information, if necessary. Therefore, staff recommends that the proposed tariff sheet for the utility's service availability charges for SummerBrooke be suspended pending further discovery by staff. This docket should remain open pending the completion of staff's investigation.