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State of Florida



Hublic Service Commission -M-E-M-O-R-A-N-D-U-M-

DATE: July 24, 2003

TO: Rosanne Gervasi, Office of the General Counsel

FROM: Thomas Walden, Division of Economic Regulation/

RE: Docket No. 030294-WU; Application for amendment of Certificate No. 419-W to add

territory in Marion County by Residential Water Systems, Inc.

This case involves an application for amendment of certificate in Marion County. Residential Water Systems, Inc. (Residential or utility), was granted Certificate No. 419-W in Docket No. 830436-W on January 4, 1984. Residential is requesting approximately 23 acres of land immediately east of its current service area, be added to its certificates in this application. The subdivision to be added is Dalton Woods, First Addition. The Department of Community Affairs has reviewed the application and finds it consistent with the Marion County Comprehensive Plan. The area is in the Southwest Florida Water Management District (SWFWMD) but is not in a water use caution area.

Residential filed this application on March 24, 2003, pursuant to Section 367.045(2), Florida Statutes, and Rule 25-30.036, Florida Administrative Code. The application is in compliance with the governing statute and other pertinent statutes and rules concerning amendment of certificates. The application included a check in the amount of \$100, which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The utility has furnished evidence in the form of a deed that confirms the utility's ownership and continued use of the land for the water plant site, as required by Rule 25-30.036(3)(d), Florida Administrative Code.

A map of the territory to be served and a territory description as required by Rule 25-30.036(3)(e), and (f), have been provided. A description of the territory is appended as Attachment A. The territory requested will serve 24 residential customers in the development known Dalton Woods, First Addition.

Residential submitted an affidavit consistent with Rule 25-30.036(3)(r), stating that it has a tariff on file with the Commission. The 2002 annual report was received February 3, 2003. The application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. No objection was received and the time for such has expired.

The territory requested will enlarge the utility's service area to the east. Water lines have been designed to serve the new areas. Construction of the distribution system will be financed by the developer and deeded to Residential as CIAC.

Residential has the financial and technical ability to provide service. From the annual report, the utility shows revenues of \$198,018 for the year 2002, with net income of \$7,103. Aqua Pure is responsible for plant operation and testing, according to the annual report. There are no notices of violation or consent orders from the Department of Environmental Regulation. No material impact is expected upon monthly rates or service availability fees. The utility is aware that no changes can be made to these rates, charges, or fees without prior approval of the Commission.

 Staff believes it is in the public interest to grant the requested territory to the utility. Staff therefore recommends that the Commission grant the application and amend Residential Water Systems, Inc.'s Certificate No. 419-W to include the territory shown on Attachment A. Residential should charge the customers in the territory added herein, the rates and charges contained in its tariff until authorized to change by the Commission in a subsequent proceeding.

TJW

cc: Division of Commission Clerk and Administrative Services

file name: 030294rec.tjw

RESIDENTIAL WATER SYSTEMS, INC. DALTON WOODS, FIRST ADDITION

In Section 36, Township 15 South, Range 22 East, Marion County, Florida:

Begin at the Southwest corner of said Section 36; thence N 00°03'20" W, along the west boundary of said Section 36, a distance of 1323.85 feet to an intersection with the north boundary of the SW 1/4 of the SW 1/4 of said Section 36; thence N 89°51'06" E, along said north boundary 247.63 feet to a point on the westerly boundary of railroad right-of-way (200' wide); thence S 37°33' 40" E, along said westerly boundary 1667.75 feet to an intersection with the south boundary of the aforesaid Section 36; thence S 89°53'19" W, along said south boundary 1263.03 feet to the Point of Beginning, containing 22.957 acres more or less.