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STATE OF FLORIDA



OFFICE OF THE GENERAL COUNSEL
S. CURTIS KISER
GENERAL COUNSEL
(850) 413-1100
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JUN 17 AM 10:51

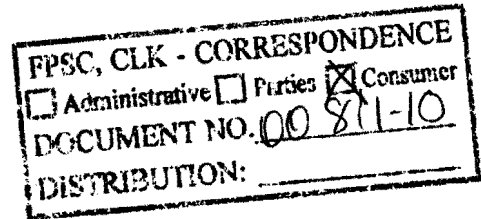
COMMISSION
CLERK

Public Service Commission

June 17, 2011

090445-WS

Robert Brown
Director
Water Resource Regulation Department
South Florida Water Management District
P.O. Box 24680
West Palm Beach, FL 33416-4680



Re: Docket No. 090445-WS - Application for original certificates for proposed water and wastewater system and request for initial rates and charges in Indian River, Okeechobee and St. Lucie counties by Grove Land Utilities, LLC.

Docket No. 090459-WS - Application for original certificates for proposed water and wastewater system and request for initial rates and charges in Martin and St. Lucie Counties by Bluefield Utilities, LLC.

Dear Mr. Brown:

Thank you for your correspondence dated May 26, 2011. Please be advised that your letter has been placed in the correspondence side of Docket Nos. 090445-WS and 090459-WS involving the applications of Bluefield Utilities, LLC and Grove Land Utilities, LLC, where it may be viewed by Commissioners and staff. Should you have any additional information or questions regarding the above-referenced dockets, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Caroline Klancke".

Caroline Klancke
Senior Attorney
Office of the General Counsel

CMK/sh

cc: Office of Commission Clerk
Division of Economic Regulation (Daniel)

COMMISSIONERS:
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GENERAL COUNSEL
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COMMISSION
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Public Service Commission

June 17, 2011

090445-WS

Doug Bournique
St. Johns River Water Management District
P.O. Box 1429
Palatka, FL 32178-1429

| | | |
|---|----------------------------------|--|
| FPSC, CLK - CORRESPONDENCE | | |
| <input type="checkbox"/> Administrative | <input type="checkbox"/> Parties | <input checked="" type="checkbox"/> Consumer |
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Re: Docket No. 090445-WS - Application for original certificates for proposed water and wastewater system and request for initial rates and charges in Indian River, Okeechobee and St. Lucie counties by Grove Land Utilities, LLC.

Docket No. 090459-WS - Application for original certificates for proposed water and wastewater system and request for initial rates and charges in Martin and St. Lucie Counties by Bluefield Utilities, LLC.

Dear Mr. Bournique:

Thank you for your correspondence dated June 8, 2011. Please be advised that your letter has been placed in the correspondence side of Docket Nos. 090445-WS and 090459-WS involving the applications of Bluefield Utilities, LLC and Grove Land Utilities, LLC, where it may be viewed by Commissioners and staff. Should you have any additional information or questions regarding the above-referenced dockets, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Caroline Klancke".

Caroline Klancke
Senior Attorney
Office of the General Counsel

CMK/sh

cc: Office of Commission Clerk
Division of Economic Regulation (Daniel)

MEMORANDUM

JUNE 16, 2011

RECEIVED-FPSC

11 JUN 16 PM 4:53

COMMISSION
CLERK

090445-WS

TO: OFFICE OF COMMISSION CLERK
FROM: CAROLINE KLANCKE, ATTORNEY
RE: DOCKET NO. 090445-WS & 090459-WS

Please place the attached letters in the correspondence side of the above-referenced consolidated docket. Thank you.

CMK
Attachment

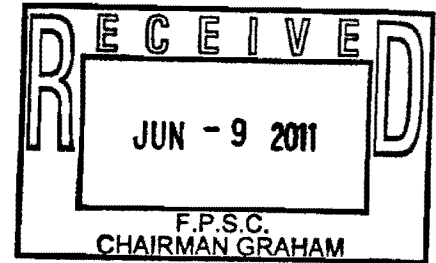
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| FPSC, CLK - CORRESPONDENCE | | |
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SOUTH FLORIDA WATER MANAGEMENT DISTRICT

May 26, 2011

Mr. Art Graham, Chairman
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850



Dear Chairman Graham:

Subject: Evans Utilities Company, Inc.

This letter is written to provide you with information regarding the South Florida Water Management District's (District) consumptive use permitting program's requirements as related to the proposed Evans Utilities Company, Inc. (Evans). My staff and I have been briefed by representatives of Evans regarding their formation of Grove Land Utilities, LLC and Bluefield Utilities, LLC. Consistent with engineering reports that the District has previously commissioned by the consulting firms of Post, Buckley, Schuh and Jernigan and HDR, Evans is proposing a public-private partnership to capture excess water discharges to the Indian River Lagoon for storage, treatment and distribution to customers through these utilities. In order to provide information to assist in the Public Service Commission's (PSC) consideration of Evans' utility certification applications, I am writing to provide you with an overview of the requirements of the District's consumptive use permitting program.

For an entity to function as a utility and sell water for public water supply, a water right must be established by meeting the three part test for consumptive use permits established in Section 373.22, Florida Statutes. These general criteria are explained in detail in the District's Basis of Review (BOR) for Water Use Permit Applications within the South Florida Water Management District. This letter will focus on a few, select provisions in the BOR, which I anticipate will be most helpful to you in your consideration of Evans' certification application.

Public water supply users must, in significant part, demonstrate the proposed use is reasonable-beneficial. The most germane aspect of this requirement is that the applicant must show a need or demand for the water in the requested amount. For public water supply utilities, this demonstration centers first upon a showing of a legal right and obligation to supply the requested allocation. As to public water suppliers regulated by the PSC, the BOR indicates the proposed supplier must receive a service area certificate or order of exemption from the PSC prior to issuance of a water use permit. In this matter, the District is assured that it is not "locking up" water in permitted allocations that are not needed (See BOR at criterion 2.1). As can be seen, Evans' certification application is a threshold consideration in the demonstration of

Chairman Art Graham

May 26, 2011

Page 2

demand for this proposed public water supply. It is important to note that additional criteria would also need to be addressed as a part of the consumptive use permitting process.

Evans Utilities Company, Inc. has suggested the potential of utilizing a PSC certificated utility to form a public-private partnership between Evans and South Florida Water Management District and potentially St. Johns River Water Management District, to capture this fresh water within the water management system. While the District is not in a financial position to pursue such a project at this time due to reductions in its ad valorem property tax revenues, utilization of a publically regulated utility may provide a viable and transparent entity through which to accomplish a public-private partnership.

Should you have any questions or require additional information, please feel free to contact me at (561) 682-6283.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert M. Brown". The signature is fluid and cursive, with a large initial "R" and "B".

Robert M. Brown, Director
Water Resource Regulation Department
South Florida Water Management District

RMB/ld

c: Michael D. Minton, Esquire, Dean Mead



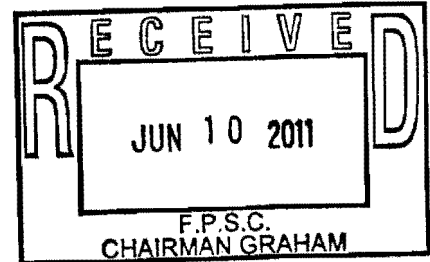
St. Johns River Water Management District

Kirby B. Green III, Executive Director • David W. Fisk, Assistant Executive Director

4049 Reid Street • P.O. Box 1429 • Palatka, FL 32178-1429 • (386) 329-4500
On the Internet at floridaswater.com.

June 8, 2011

Arthur Graham, Chairman
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850



Re: Evans Utilities Company, Inc.

Chairman Graham:

Please be advised that I am a Governing Board member of the St. Johns River Water Management District. My staff and I have been briefed by representatives of Evans Utilities Company, Inc. ("Evans") regarding their formation of Grove Land Utilities, LLC. Consistent with engineering reports that the South Florida Water Management District and this District previously commissioned by the consulting firms of Post, Buckley, Schuh and Jernigan and HDR, Evans is proposing a Public-Private Partnership to capture excess water discharges to the Indian River Lagoon for storage, treatment and distribution to customers through Evan's utility. These reports lead us to believe that there is significant excess surface water currently being discharged to tide to the detriment to the Indian River Lagoon that could be captured and retained within the water management system to provide environmental, water supply, and water quality benefits.

Evans Utilities Company, Inc. has suggested the potential of utilizing a Public-Private Partnership between Evans and South Florida Water Management District, and St. Johns River Water Management District, to design, finance, construct and operate facilities to capture this fresh water within the system. It is my belief, after consultation with members of my staff, that utilization of a publicly regulated utility certificated through the PSC provides the most viable and transparent entity through which to accomplish this Public-Private Partnership. In addition, our permitting requirements at St. Johns River Water Management District would necessitate that this entity be a utility for us to permit the Consumptive Use Permit that would be necessary if this entity were to provide this water for use by third parties to generate the necessary revenue stream to finance this type of Public-Private Partnership. We believe Evans' decision to request certification from the Public Service Commission is a sound approach to this Public-Private Partnership concept, which should be supported by the appropriate regulatory agencies.

If you have any questions, please feel free to contact me.

Sincerely yours,


Doug Bournique

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ORLANDO
Arlen N. Jumper
FORT MCCOY

CONSUMER

Ann Cole

090445-WS

From: Ann Cole
Sent: Thursday, February 04, 2010 4:41 PM
To: Steve Larson
Cc: Commissioners Advisors; Administrative Assistants - Commission Suite
Subject: FW: letter
Attachments: Document.pdf

Thanks, Steve. The attachment has been printed and will be placed in *Correspondence - Consumers and their Representatives*, in Docket Nos. 090478-WS, 090445-WS and 090459-WS

From: Steve Larson
Sent: Thursday, February 04, 2010 4:32 PM
To: Ann Cole
Subject: letter

Hello Ann, please place the attached letter in the following docket files: 090478, 090445,+090459. Thanks,
Steve

2/4/2010

DOCUMENT NUMBER-DATE

00811 FEB-5 2010

FPSC-COMMISSION CLERK



Florida Department of Agriculture and Consumer Services
CHARLES H. BRONSON, Commissioner
The Capitol • Tallahassee, FL 32399-0800
www.doacs.state.fl.us

Please Respond to:

Office of Agricultural Water Policy
1203 Governors Square Blvd.
Suite 200
Tallahassee, FL 32301
Phone: 850/617-1700

January 28, 2010

Nancy Argenziano, Chairman
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Dear Commissioner Argenziano:

We understand that Evans Properties, Inc., ("Evans") has created a wholly owned utility company subsidiary (Evans Utility, Inc.) and has filed utility certification applications with the Florida Public Service Commission for three subsidiaries thereof, including Skyland Utilities, LLC, Grove Land Utilities, LLC and Bluefield Utilities, LLC. The applications include properties owned by Evans in Okeechobee, St. Lucie, Martin, Indian River, Hernando, and Pasco counties.

We are encouraged to see Evans Properties – a family-owned agricultural company with more than a half century of experience in citrus production and one that utilizes best management practices for their operations - looking ahead in a progressive way to prepare for potential opportunities to provide environmental services to the general public while keeping land in private ownership.


The Department supports agricultural landowners statewide in their efforts to store and retain water on their properties, provide for enhanced aquifer-recharge, rehydrate previously drained wetland areas and provide water quality improvement through effective implementation of stormwater treatment practices.

Citrus growers are facing unprecedented challenges due to the devastating impacts of citrus greening and canker as well as poor market conditions and global competition. Utility certification is one way for Florida's agricultural landowners to diversify their business activities and develop new and necessary tools to deal with the challenges facing the agriculture industry and help it remain sustainable.

We applaud Evans for taking the lead in researching innovative potential uses for its agricultural land and moving forward with the utility certification process.

Sincerely,

CHARLES H. BRONSON
COMMISSIONER OF AGRICULTURE


Richard J. Budell, Director
Office of Agricultural Water Policy



Florida Agriculture and Forest Products
Over \$100 Billion for Florida's Economy