

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for original certificates for proposed water and wastewater system, in Hernando and Pasco Counties, and request for initial rates and charges, by Skyland Utilities, LLC.

Docket No. 090478-WS

Date: June 14, 2010

PREHEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL

The Citizens of the State of Florida, through the Office of Public Counsel, ("OPC") pursuant to the Order Establishing Procedure in this docket, Order No. PSC-10-0105-PCO-WS, issued February 24, 2010, submit this Prehearing Statement.

APPEARANCES:

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c/o The Florida Legislature
111 West Madison Street, Room 812
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On behalf of the Citizens of the State of Florida.

A. **ALL KNOWN WITNESSES**

No witnesses sponsored by OPC.

B. **ALL KNOWN EXHIBITS**

No exhibits sponsored by OPC at this time.

C. STATEMENT OF BASIC POSITION

The decision to grant or deny granting original water and wastewater certificates to Skyland Utilities, LLC., will substantially affect the interests of future unrelated third party customers (“future customers”) that will live and work in the proposed certificated territories. OPC seeks a decision that best serves the interests of those future customers, by providing quality service at the least possible cost. OPC intends to participate in the formal evidentiary hearing to assist in developing the record evidence that will help resolve this question. After all of the evidence is presented, OPC will make a recommendation to the Commission whether granting the proposed certificates are or are not in the public interest.

D. QUESTIONS OF FACT, LAW AND POLICY AND POSITIONS

ISSUE 1: **Has Skyland presented evidence sufficient to invoke the Commission’s exclusive jurisdiction over Skyland’s application for original certificates for proposed water and wastewater systems?**

A. Did Skyland provide evidence to support that it satisfies the definition of “utility” contained in Section 367.021(12), Florida Statutes?

B. Did Skyland provide evidence to support that the service proposed by Skyland transverses county boundaries pursuant to Section 367.171(7), Florida Statutes?

OPC: In Order No. PSC-10-0123A-PCO-WS, the Commission determined that it has jurisdiction over this matter. On May 4, 2010, the Commission’s Order on Jurisdiction and Denying Hernando County’s Motion to Dismiss was per curium affirmed by the First District Court of Appeals. OPC does not intend to pursue this issue at the hearing.

ISSUE 2: **Is there a need for service in Skyland’s proposed service territories and, if so, when will service be required?**

OPC: No position at this time, pending further development of the record.

ISSUE 3: Is Skyland's application inconsistent with Hernando County's comprehensive plan?

OPC: No position at this time, pending further development of the record.

ISSUE 4: Is Skyland's application inconsistent with Pasco County's comprehensive plan?

OPC: No position at this time, pending further development of the record.

ISSUE 5: Will the certification of Skyland result in the creation of a utility which will be in competition with, or duplication of, any other system pursuant to Section 367.045(5)(a), Florida Statutes?

OPC: No position at this time, pending further development of the record.

ISSUE 6: Does Skyland have the financial ability to serve the requested territory?

OPC: No position at this time, pending further development of the record.

ISSUE 7: Does Skyland have the technical ability to serve the requested territory?

OPC: No position at this time, pending further development of the record.

ISSUE 8: Has Skyland provided evidence that it has continued use of the land upon which the utility treatment facilities are or will be located?

OPC: No position at this time, pending further development of the record.

ISSUE 9: Is it in the public interest for Skyland to be granted water and wastewater certificates for the territories proposed in its application?

OPC: No position at this time, pending further development of the record.

ISSUE 10: If the certificates for the proposed water and wastewater systems are granted, what is the appropriate return on equity for Skyland?

OPC: No position at this time, pending further development of the record.

ISSUE 11: If the certificates for the proposed water and wastewater systems are granted, what are the appropriate potable water and wastewater rates for Skyland?

OPC: No position at this time, pending further development of the record.

ISSUE 12: If the certificates for the proposed water and wastewater systems are granted, what are the appropriate service availability charges for Skyland?

OPC: No position at this time, pending further development of the record.

ISSUE 13: If the certificates for the proposed water and wastewater systems are granted, what is the appropriate Allowance for Funds Used During Construction (AFUDC) rate for Skyland?

OPC: No position at this time, pending further development of the record.

ISSUE 14: Should this docket be closed?

OPC: No. The Docket should remain open to conduct a formal evidentiary hearing to complete a record that can support a decision of whether granting the proposed certificates is in the public interest.

E. STIPULATED ISSUES

There are no stipulated issues at this time.

F. PENDING MOTIONS OR OTHER MATTERS

There are no pending motions at this time

G. PENDING CONFIDENTIALITY CLAIMS OR REQUESTS

There is one pending claim of confidentiality at this time.

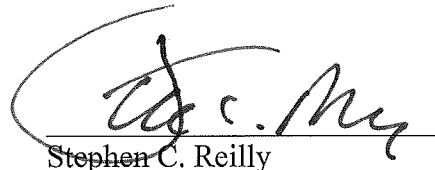
H. OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT

There are no objections to a witness' qualifications at this time.

I. COMPLIANCE WITH ORDER NO. PSC-10-0105-PCO-WS

OPC has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 14th day of June, 2010.



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CERTIFICATE OF SERVICE
DOCKET NO. 090478-WS

I HEREBY CERTIFY that a true and correct copy of the foregoing Citizens' Prehearing Statement has been furnished, by U.S. Mail and electronic mail, this 14th day of June, 2010, to the following:

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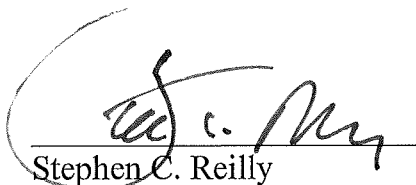
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