

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment of Certificate Nos. 552-W and 481-S in Marion County, by C.F.A.T. H2O, Inc.	DOCKET NO. 20220203-WS ORDER NO. PSC-2023-0254-FOF-WS ISSUED: August 21, 2023
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The following Commissioners participated in the disposition of this matter:

ANDREW GILES FAY, Chairman
ART GRAHAM
GARY F. CLARK
MIKE LA ROSA
GABRIELLA PASSIDOMO

ORDER APPROVING C.F.A.T. H2O, INC.'S
APPLICATION TO AMEND CERTIFICATE
NOS. 552-W AND 481-S IN MARION COUNTY

BY THE COMMISSION:

Background

On November 18, 2022, C.F.A.T. H2O, Inc. (CFAT or Utility) filed an application for a quick-take amendment to Certificate No. 481-S to add wastewater territory in Marion County. During its review of the application, Commission staff discovered that: (1) the Utility would need to delete some territory as well as add territory, disqualifying it from the quick-take amendment process; and (2) the amendments affected both the water and wastewater certificates. Accordingly, the docket title was changed to reflect the addition of the water certificate and the change from a quick-take amendment to a regular amendment. In addition, CFAT remitted the additional filing fee and additional documentation required.

The territory currently served by the CFAT water and wastewater systems (the CFAT territory) was originally added to the territory served by Tradewinds Utilities, Inc. (Tradewinds) through an amendment to Tradewinds' water and wastewater certificates in 1988.¹ The CFAT territory was some distance away from the Tradewinds service territory and was served by a separate water and wastewater system. Due to a foreclosure on the bank that held the title to the utility assets serving the CFAT territory, the Resolution Trust Corporation (RTC) was appointed its receiver in 1991. Subsequently, we granted a joint application by RTC and Tradewinds to delete the CFAT territory from Tradewinds' certificated service territory and to grant RTC water and wastewater Certificate Nos. 552-W and 481-S.² On November 8, 1993, CFAT filed an

¹ Order No. 19688, issued July 19, 1988, in Docket No. 19880552-WS, *In re: Application by Tradewinds Utilities, Inc. for amendment to Certificate Nos. 405-W and 342-S in Marion County, Florida.*

² Order No. PSC-93-0368-FOF-WS, issued March 9, 1993, in Docket No. 19921260-WS, *In re: Application for certificates to provide water and wastewater service in Marion County by The Resolution Trust Corporation and for amendment of Certificates [sic] Nos. 405-W and 342-S by Tradewinds Utilities, Inc. to reflect transfer of territory.*

application for transfer of Certificate Nos. 552-W and 481-S from RTC to CFAT.³ Since that time, CFAT has undergone one transfer of majority organizational control.⁴

When the CFAT territory was originally added to Tradewinds' certificated service territory in 1988, the portion of the territory in Section 16, Township 14 South, Range 22 East, Marion County, was erroneously described as being in the East half of the Northeast quarter of Section 16. However, the customers being served by the CFAT system were located in the East half of the Northwest quarter of Section 16. This appears to have been an error that has carried forward in subsequent iterations of CFAT's certificated area. The error was discovered during the processing of the application to transfer CFAT to CSWR-Florida Utility Operating Company, LLC (CSWR) in Docket No. 20220062-WS. To ensure that the service territory being conveyed in the sale and noticed pursuant to Rule 25-30.030, F.A.C., was accurate, the amendment sought in the instant docket must be addressed before the transfer request in Docket No. 20220062-WS is granted. Therefore, CFAT is requesting that the currently certificated area in Section 16 be deleted and the territory pertaining to Section 16 be added.

This order addresses the Utility's request to extend its water and wastewater service territory and to delete a portion of its water and wastewater service territory. We have jurisdiction pursuant to Section 367.045, Florida Statutes (F.S.).

Decision

Amendment of Certificate

The Utility's application to amend its authorized service territory is in compliance with the governing statute, Section 367.045, F.S., and Rule 25-30.036, Florida Administrative Code (F.A.C.). The application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, F.A.C. On April 14, 2023, Marion County Utilities (County) timely filed an objection to the application and requested a hearing. Commission staff contacted the County to clarify its specific objections, as well as to describe our hearing process for the County. CFAT contacted the County as well for clarification of the County's concerns. After reviewing the information received during these discussions, on June 8, 2023, the County withdrew its objection to the territory amendment.⁵

CFAT provided adequate service territory maps and territory descriptions to us. A description of the territory requested to be deleted and added by the Utility, as well as the resulting service territory description, is appended to this order as Attachment A. The Utility submitted an affidavit with its November 18, 2022, application consistent with Rule 25-30.036(2)(q), F.A.C., stating that it has tariffs and annual reports on file with us.

³ Order No. PSC-94-0701-FOF-WS, issued June 8, 1994, in Docket No. 19931080-WS, *In re: Application for transfer of Certificates [sic] Nos. 552-W and 481-S from The Resolution Trust Corporation to C.F.A.T. H2O, Inc. in Marion County.*

⁴ Order No. PSC-06-0593-FOF-WS, issued July 7, 2006, in Docket No. 20060028-WS, *In re: Application for transfer of majority organizational control of C.F.A.T. H2O, Inc., holder of Certificates 552-W and 481-S in Marion County, from Ronald Chase to Floyd and Eugenia Segarra and Charles deMenzes.*

⁵ Document No. 03558-2023.

Pursuant to the transfer from RTC to the Utility, we established rate base for transfer purposes and set rates and charges on June 8, 1994.⁶ As explained above, the owner of both CFAT and Tradewinds has been serving the customers included in the request for extension of service territory in the instant docket since 1988, when the CFAT territory was added to Tradewinds. Therefore, no additional facilities will be needed to serve these customers. Given the long history of service to these customers, we find CFAT's financial ability to serve the proposed territory to be adequate.

There are currently no outstanding Consent Orders or Notices of Violation from the Florida Department of Environmental Protection. The Utility has filed its 2022 Annual Report and has paid its 2022 Regulatory Assessment Fees. Based on the foregoing analysis, we find that CFAT has the financial and technical ability to serve the amended territory.

Conclusion

Based on the information above, we approve the amendment of Certificate Nos. 552-W and 481-S to include the territory as described in Attachment A, effective the date of our vote, August 1, 2023. This order shall serve as CFAT's amended certificate and shall be retained by the Utility. The Utility shall charge future customers in the territory added herein the rates and charges contained in its current tariffs until a change is authorized by us in a subsequent proceeding.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that C.F.A.T. H2O, Inc.'s application to amend Certificate Nos. 552-W and 481-S to include the territory described in Attachment A of this order is hereby approved effective August 1, 2023. It is further

ORDERED that this order shall serve as C.F.A.T. H2O, Inc.'s amended certificate and shall be retained by the Utility. It is further

ORDERED that C.F.A.T. H2O, Inc. shall charge future customers in the territory added herein the rates and charges contained in its current tariffs until we authorize a change in a subsequent proceeding. It is further

ORDERED that this docket shall be closed.

⁶ Order No. PSC-94-0701-FOF-WS, issued June 8, 1994, in Docket No. 19931080-WS, *In re: Application for transfer of Certificates [sic] Nos. 552-W and 481S from The Resolution Trust Corporation to C.F.A.T. H2O, Inc. in Marion County.*

By ORDER of the Florida Public Service Commission this 21st day of August, 2023.



ADAM J. TEITZMAN

Commission Clerk

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413-6770

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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

MRT/DD

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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 Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 Office of Commission Clerk, 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.

C.F.A.T. H2O, Inc.
MARION COUNTY

Legal Description of the Extension Territory

A parcel of land being part of the NE 1/4 of NW 1/4 and the SE 1/4 of NW 1/4 of Section 21, Township 14 South, Range 22 East, Marion County, Florida and being more particularly described as follows:

Beginning at the NE corner of the NW 1/4 of said Section 21, thence run South 00°12'41" West along the east line of the West 1/2 of said Section 21 for 2555.69 feet to the northern right-of-way of NW 70th Street; thence run North 89°36'04" West for 674.92 feet to the western right-of-way of Jacksonville Road; thence run North 13°51'04" East along said right-of-way for 611.53 feet; thence run North 76°23'09" West for 450.97 feet; thence run North 13°36'58" East for 899.69 feet; thence run South 76°33'41" East for 453.52 feet back to said western right-of-way of Jacksonville Road; thence run North 13°46'51" East along said right-of-way for 1114.14 feet to the north line of said NE 1/4 of NW 1/4 of Section 21; thence run East along the north line of said Section 21 for 57.94 feet back to the Point of Beginning. Containing 30.8 acres, more or less.

Legal Description of the Territory Deleted

All of the East 1/2 of the NE 1/4 of Section 21, Township 14 South, Range 22 East, Marion County, Florida. Containing 80 acres, more or less.

C.F.A.T. H2O, Inc.
MARION COUNTY
WATER AND WASTEWATER SERVICE TERRITORY

A parcel of land being part of the SE 1/4 of SE 1/4, the SW 1/4 of SE 1/4, and the NE 1/4 of SE 1/4 of Section 16; and the NE 1/4 of NW 1/4 and the SE 1/4 of NW 1/4 of Section 21, all in Township 14 South, Range 22 East, Marion County, Florida and being more particularly described as follows:

Beginning at the SE corner of said Section 16, thence run West along the south line of said Section 16 for 2640.00 feet to the NE corner of the NE 1/4 of NW 1/4 of Section 21; thence run South 00°12'41" West along the east line of the W 1/2 of said Section 21 for 2555.69 feet to the northern right-of-way of NW 70th Street; thence run North 89°36'04" West for 674.92 feet to the western right-of-way of Jacksonville Road; thence run North 13°51'04" East along said right-of-way for 611.53 feet; thence run North 76°23'09" West for 450.97 feet; thence run North 13°36'58" East for 899.69 feet; thence run South 76°33'41" East for 453.52 feet back to said western right-of-way of Jacksonville Road; thence run North 13°46'51" East along said right-of-way for 1114.14 feet to the north line of said NE 1/4 of NW 1/4 of Section 21; thence run East along the north line of said Section 21 for 57.94 feet to the SW corner of the SW 1/4 of SE 1/4 of Section 16; thence run North along the west line of said SW 1/4 of SE 1/4 for 849.32 feet; thence run East for 1320.00 feet; thence run North for 671.05 feet; thence run East for 1320.00 feet to the east line of Section 16; thence run South along the east line of said Section 16 for 1520.37 feet back to the Point of Beginning. Containing 102.6 acres, more or less.

FLORIDA PUBLIC SERVICE COMMISSION
authorizes
C.F.A.T. H2O, Inc.
pursuant to
Certificate Number 552-W

to provide water service in Marion County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-93-0368-FOF-WS	03/09/93	19921260-WS	Transfer
PSC-94-0701-FOF-WS	06/08/94	19931080-WS	Transfer
PSC-06-0593-FOF-WS	07/07/06	20060028-WS	TMOC
PSC-97-0206A-FOF-WS	03/05/97	19960095-WS	Amendatory Order
PSC-2023-0254-FOF-WS	08/21/23	20220203-WS	Amendment

FLORIDA PUBLIC SERVICE COMMISSION
authorizes
C.F.A.T. H2O, Inc.
pursuant to
Certificate Number 481-S

to provide wastewater service in Marion County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-93-0368-FOF-WS	03/09/93	19921260-WS	Transfer
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PSC-97-0206A-FOF-WS	03/05/97	19960095-WS	Amendatory Order
PSC-2023-0254-FOF-WS	08/21/23	20220203-WS	Amendment