

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Holmes Creek )	DOCKET NO. 910979-WU
Water Utilities for a certificate )	ORDER NO. 25786
in Washington County. )	ISSUED: 2/24/92
_____ )	

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman  
 SUSAN F. CLARK  
 J. TERRY DEASON  
 BETTY EASLEY  
 LUIS J. LAUREDO

ORDER GRANTING CERTIFICATE, SETTING RATES AND CHARGES, REQUIRING THE PAYMENT OF REGULATORY ASSESSMENT FEES FOR 1991, REQUIRING THE FILING OF A 1991 ANNUAL REPORT, AND CLOSING DOCKET

BY THE COMMISSION:

Background

On September 23, 1991, Holmes Creek Water Utilities (Holmes Creek or Utility) filed an application with this Commission for a water certificate in Washington County. The Utility provides service to 181 lots. Twenty-six of the lots are permanent homesites, 74 are campsites and 81 of the lots are vacant. Although the Utility has been in operation since 1969, we learned of its existence in May of 1991.

As stated above, Holmes Creek began operating in 1969. In 1971, the Utility came under the ownership of Ms. Inez Hombroek. In March, 1991, due to Ms. Hombroek's poor health and inability to sell the Utility, she turned it over to her daughter and son-in-law, Ronald and Florence Strickland. The Stricklands began operating the Utility under the name Well Water Works and in May of 1991 advised its customers of a rate increase. We became aware of the existence of the Utility through a customer inquiry regarding the proposed rate increase.

The Commission Staff contacted the Stricklands in June, 1991, regarding the rate increase and advised them of the Commission's

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ORDER NO. 25786  
DOCKET NO. 910979-WU  
Page 2

jurisdiction. Prior to this time, the Stricklands were unaware of the Commission's requirements. The Stricklands agreed not to implement the rate increase and filed an application for an original certificate. On August 1, 1991, prior to the completion of the certification process, the Utility was sold to Mr. Richard Peterson. At that time, Mr. Peterson changed the Utility's name to Holmes Creek Water Utilities and on September 23, 1991, filed his application for a certificate.

Although the Utility is in violation of Section 367.031, Florida Statutes, we will not penalize it for operating without a certificate. The Utility began operation in 1969 prior to the Commission obtaining jurisdiction in Washington County in 1987. Further, the former owners of the Utility were unaware of the Commission's jurisdiction, and they and the present owner have cooperated fully during the certification process.

#### Application

Except as discussed previously, the application is in compliance with Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules. The application contains a filing fee in the amount of \$150.00, pursuant to Rule 25-30.020, Florida Administrative Code. The Utility also provided evidence that it owns the land upon which its facilities are located, as required by Rule 25-30.034(1)(e), Florida Administrative Code.

Holmes Creek provided service territory and system maps and a territory description, pursuant to Rule 25-30.034(1) (h), (i) and (j), Florida Administrative Code. The territory which the Utility has requested to serve is described in Attachment A of this Order.

The Utility provided proof of compliance with the noticing provisions set forth in Rule 25-03.030, Florida Administrative Code, including notice to the customers in the proposed territory. No objections to the application have been received and the time for filing such has expired.

Mr. Peterson, the current owner of the Utility, was employed by the Panama City Beach Water Department for 22 years and has been the Assistant Water Superintendent for the past 15 years. He is a licensed water system operator, and, therefore, we believe that he has the experience necessary to efficiently operate Holmes Creek. Further, from information filed with the application, it appears

ORDER NO. 25786  
 DOCKET NO. 910979-WU  
 Page 3

that Mr. Peterson has the financial ability to operate and maintain the Utility.

According to the Department of Environmental Regulation (DER), there are no outstanding notices of violation against Holmes Creek. Therefore, we find that it is in the public interest to grant Holmes Creek Certificate No. 538-W to serve the territory described in Attachment A of this Order, which by reference is incorporated herein.

Rates and Charges

The rates and charges currently charged by the Utility are set forth below. We find these rates to be reasonable and they are approved.

Residential  
 (Monthly Rates)

Residential	\$ 8.00
Camper	\$ 5.00
Vacant Lot	\$ 2.00

To clarify the above, a residential customer is someone who occupies a lot for at least six months of the year. A camper is someone who occupies a lot for at least three months of the year, and a vacant lot is an uncleared lot. Lines are in place and service is available to each lot. Customers become active by clearing their lots and utilizing the lot for either camping or as a residence.

The deed transferring the Utility from International Timber Company to Inez Hombroek and the deed transferring the Utility to Mr. Peterson contain reservations. These reservations apply to lots which are owned by International Timber Company, Inez Hombroek or the Stricklands, within the Holmes River Campsites. According to the reservations, no fee for service will be charged to 12 of the vacant lots until title is conveyed or water is used.

These reservations, as in previous cases, are viewed as part of the purchase price of the Utility. Although honoring the reservations should not impact upon the other customers of the Utility, Section 376.081, Florida Statutes, requires a Utility to charge its customers the rates and charges approved in its tariff.

ORDER NO. 25786  
DOCKET NO. 910979-WU  
Page 4

If Mr. Peterson honors the reservations, any revenue lost as a result shall be imputed in future rate proceedings.

It should be noted that Holmes Creek does not collect deposits or charge miscellaneous service charges and none are approved herein. Further, Holmes Creek does not have service availability charges or a formal service availability policy.

Holmes Creek has filed a tariff reflecting the rates approved herein. The effective date of the tariff shall be the stamped approval date on the tariff sheets.

1991 Regulatory Assessment Fees and Annual Report

Rules 25-30.110(3) and 25-30.120(2), Florida Administrative Code, require utilities, in counties over which the Commission has jurisdiction, to file annual reports and pay regulatory assessment fees regardless of whether a certificate has been granted. Since the Commission has had jurisdiction in Washington County since 1987 and Mr. Peterson was aware of our jurisdiction when he purchased the Utility, we find it appropriate to require him to pay regulatory assessment fees and file an annual report for the period from August 1, 1991, through December 31, 1991. The regulatory assessment fees shall be paid and the Annual Report filed with the Commission within 45 days of the date of this Order.

It is, therefore,

ORDERED by the Florida Public Service Commission that Holmes Creek Water Utilities, St. Rt. Box 112, Vernon, Florida 32462, is hereby granted Certificate No. 538-W to serve the territory described in Attachment A of this Order, which by reference is incorporated herein. It is further

ORDERED that Holmes Creek shall charge the customers in its territory the rates and charges approved in its tariff, as set forth herein. It is further

ORDERED that Holmes Creek shall pay regulatory assessment fees and file an Annual Report for the period from August 1, 1991, through December 31, 1991. The regulatory assessment fees shall be paid and the Annual Report filed with the Commission within 45 days of the date of this Order. It is further

ORDERED that Docket No. 910979-WU is hereby closed.

ORDER NO. 25786  
DOCKET NO. 910979-WU  
Page 5

By ORDER of the Florida Public Service Commission, this 25th  
day of FEBRUARY, 1992.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

ALC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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 Director, Division of Records and Reporting 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 or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting 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.

ORDER NO. 25786  
DOCKET NO. 910979-WU  
Page 6

ATTACHMENT A

Holmes Creek Water Utilities

Territory Description

The following described lands located in portions of Sections 16, 21, Township 2 N, Range 16 W, Washington County, Florida:

Parcel No. 1

Commence at the NE corner of the SE 1/4 of the SW 1/4 of Section 16, T2N, Range 16 W, Washington County, Florida, and run South 0 deg. 16 min. W along the half section line 172 feet to the P.O.B., thence run West 370.50 feet, thence South 6.95 feet, thence run South 60 deg. 42 min. E for 349.68 feet, thence run East to a point of intersection with half section line, thence run N 0 deg. 16 min. E along half section line to P.O.B.

Parcel No. 2

Commence at the SE corner of the SE 1/4 of the SW 1/4 of Section 16, T2N, Range 16 W, Washington County, Florida, and run N 0 deg. 16 min. E for 700.83 feet, thence run N 60 deg. 42 min. W for 600.03 feet, thence run South for 755.60 feet, thence run N 76 deg. 0 min. E for 128.83 feet to the P.O.B., thence run North 125 feet, thence run N 60 deg. 42 min. W to the E boundary of Bass Boulevard, thence run North 151.44 feet, thence run S 60 deg. 42 min. E for 323.06 feet, thence run South for 45.54 feet, thence run along NW boundary of River Road S 37 deg. 30 min. for 75 feet, thence continue along NW boundary of River Road, S 57 deg. 30 min. for 100 feet, thence continue along NW boundary of River Road approximately 22 feet to the P.O.B.

Parcel No. 3

Commence at the NW corner of the NE 1/4 of the NW 1/4 of Section 21, T2N, Range 16 W, Washington County, Florida, and run South 165 feet, thence East 150 feet to the P.O.B., thence run South 250 feet, thence East 183.85 feet, thence North 250 feet, thence West 183.85 feet to the P.O.B.

ORDER NO. 25786  
DOCKET NO. 910979-WU  
Page 7

Parcel No. 5

Commence at the NW corner of the NE 1/4 of the NW 1/4 of Section 21, T2N, Range 16 W, Washington County, Florida, and run South 1035 feet, thence East 170 feet, thence South 250 feet, thence East 140 feet to the P.O.B., thence run North 125 feet, thence East 272.70 feet, thence South 125 feet, thence West 272.70 feet to the P.O.B.

Parcel No. 6

Commence at the NE corner of the NE 1/4 of the NW 1/4 of Section 21, T2N, Range 16 W, Washington County, Florida, and run South 580 feet, thence run East 75 feet, thence run 75 feet South to the P.O.B., thence run 75 feet North, thence run 340 feet East, thence run 150 feet South, thence run 265 feet West, thence run North 45 deg. West to the P.O.B.

Parcel No. 7

Commence at the NW corner of the NE 1/4 of the NW 1/4 of Section 21, T2N, Range 16 W, Washington County, Florida, and run South 1324 feet, thence run East along South boundary of property, 1400 feet to a point hereinafter referred to as point "B," from point "B" continue on a line East, along South boundary of the property approximately 700 feet to banks of Holmes River, this line from point "B" to river banks hereinafter referred to as the "South Line." Return to point "B" and run a line North from point "B" to banks of canal, this line hereinafter referred to as "West Line." Parcel seven now being those lands bounded on the South by the "South Line," on the West by the "West Line," on the North by the banks of canal, and on the East by the banks of Holmes River. (Purpose of this description is to describe those lands between "Parcel 8" and "Parcel 9" and Holmes River.)

Parcels Nos. 8 and 9

Commence at the NW corner of the NE 1/4 of the NW 1/4 of Section 21, T2N, Range 16 W, S 0 deg. 0 min. E for 1324 feet, thence N 90 deg. 0 min. E for 762.7 feet to P.O.B., thence N 0 deg. 0 min. E for 279.18 feet, thence N 27 deg. 35 min. E for 336.99 feet, thence N 90 deg. 0 min. E for 82.49 feet, thence S 54 deg. 41 min. E for 240.75 feet, thence S 1 deg. 22 min. W for 345.80 feet, thence S 72 deg. 50 min. E for 219.62 feet, thence S 17 deg. 55 min. West to a point on the South property line, said point being N 90 deg. 0 min.

ORDER NO. 25786  
DOCKET NO. 910979-WU  
Page 8

E of the P.O.B. of this description, thence N 90 deg. 0 min. W to the P.O.B.

Parcels Nos. 4 and 10

Commence at the SE corner of the SE 1/4 of the SW 1/4 of Section 16, T2N, Range 16 W, Washington County, Florida, and run North along the East line of said SE 1/4 of SW 1/4 for 357.25 feet, thence N 90 deg. W 40 feet for P.O.B., continue N 90 deg. W for 176.47 feet, thence S 37 deg. 30 min. W for 56 feet, thence S 57 deg. 30 min. W for 122 feet, thence S 76 deg. 0 min. W for 183.57 feet, thence S 33 deg. 10 min. W for 254.55 feet, thence S 14 deg. 0 min. W for 155.02 feet, thence S 9 deg. 21 min. E for 230.73 feet, thence S 48 deg. 51 min. E for 424.2 feet, thence S 54 deg. 41 min. E for 69.47 feet, thence N 35 deg. 19 min. E for 125 feet, thence N 54 deg. 41 min. W for 63.10 feet, thence N 48 deg. 51 min. W for 372.95 feet, thence N 9 deg. 21 min. W for 160.02 feet, thence N 14 deg. 0 min. E for 108.08 feet, thence N 33 deg. 10 min. E for 184.41 feet, thence N 33 deg. 10 min. E for 184.41 feet, thence N 76 deg. 0 min. E for 154.90 feet, thence N 57 deg. 30 min. E for 164.40 feet, thence N 37 deg. 30 min. E for 16.40 feet, thence N 90 deg. E for 114.83 feet, thence N 0 deg. 0 min. E for 125 feet to the P.O.B.

Parcel No. 11

Commence at the SE corner of the SE 1/4 of the SW 1/4 of Section 16, T2N, Range 16 W, Washington County, Florida, and run N 0 deg. 16 min. E for 700.83 feet, thence run N 60 deg. 42 min. W for 438.52 feet for the P.O.B., thence run South 226 feet, thence N. 60 deg. 42 min. W for 161.53 feet, thence North for 226 feet, thence S 60 deg. 42 min. E to the P.O.B.

Parcel No. 12

Commence at the SE corner of the SE 1/4 of the SW 1/4 of Section 16, T2N, Range 16 W, thence North along East line of said SE 1/4 of SW 1/4 for 357.25 feet, thence N 90 deg. 0 min. W for 216.47 feet, thence S 37 deg. 30 min. W for 56 feet, thence S 57 deg. 30 min. W for 122 feet, thence S 76 deg. 0 min. W for 183.57 feet, thence S 33 deg. 10 min. W for 254.55 feet, thence S 14 deg. 0 min. W for 155.02 feet, thence S 9 deg. 21 min. W for 230.73 feet, thence S 48 deg. 51 min. E for 424.20 feet, thence S 54 deg. 41 min. E for 294.47 feet to a point hereinafter referred to as Point "A," thence N 35 deg. 19 min. E to Southwesterly edge of canal and P.O.B.,



ORDER NO. 25786  
DOCKET NO. 910979-WU  
Page 9

thence return to Point "A," from Point "A" S 54 deg. 41 min. E for 35.54 feet, thence S 1 deg. 22 min. W for 336.84 feet, thence S 72 deg. 50 min. E for 189.37 feet, thence N 0 deg. 0 min. East to Southwesterly edge of Canal, thence meander Northwesterly along canals edge to P.O.B.

Parcel No. 14

Commence at the NW corner of the NE 1/4 of the NW 1/4 of Section 21, T2N, Range 16 W, Washington County, Florida, and run South 455 feet, thence East 610 feet for the P.O.B., thence continue East for 35.71 feet, thence S 48 deg. 51 min. E for 279.92 feet, thence run West for 321.83 feet, thence run North 250 feet to the P.O.B.