

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for
amendment of Certificates Nos.
373-W and 322-S to add territory
in Marion County by Florida
Water Services Corporation.

DOCKET NO. 980467-WS
ORDER NO. PSC-99-2191-FOF-WS
ISSUED: November 8, 1999

ORDER AMENDING CERTIFICATES NOS. 373-W AND 322-S TO INCLUDE
ADDITIONAL TERRITORY IN MARION COUNTY AND CLOSING DOCKET

BY THE COMMISSION:

BACKGROUND

Florida Water Services Corporation (Florida Water or utility) provides water service to approximately 3,187 water customers, and 1,337 wastewater customers in the Marion Oaks development. Wastewater service is provided by septic tanks in part of the development. Florida Water provides service in about 24 counties regulated by the Commission. The utility's 1998 annual report shows a total annual operating revenue of \$47,407,245 and a net operating income of \$8,306,392. The utility is a Class A utility company under Commission jurisdiction.

Pursuant to Section 367.045, Florida Statutes, on April 1, 1998, Florida Water applied for an amendment of Certificates Nos. 373-W and 322-S to add territory in Marion County (County). The County and several county residents objected to Florida Water's application. The residents did not pursue their objections, and the County and Florida Water entered a stipulated agreement resolving the County's objection. Comments were also filed by the Department of Community Affairs (DCA). By Order No. PSC-99-1915-FOF-WS, issued on September 27, 1999 in this docket, we approved the parties' stipulated agreement and amended the utility's certificates to include approximately 32 square miles of additional water service area and 44 square miles of additional wastewater service area. We also addressed the DCA's comments in that Order.

As part of the stipulated agreement, the parties agreed to Florida Water's acquisition of additional water and wastewater territory not addressed in the original application. By Order No. PSC-99-1915-FOF-WS, we ordered the utility to properly notice its

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request to amend its certificates to include this remaining territory prior to our approval. By that Order, we also indicated that the remainder of the utility's amendment application would be processed administratively, unless we received any objections in this matter or additional comments from the DCA.

The utility completed the notice, and the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. No objection were received, and the time for filing such has expired. The DCA did not file additional comments. This amendment will add approximately six square miles of additional water and wastewater service area to the utility's certificated area.

APPLICATION

The remainder of Florida Water's application is in compliance with the governing statute Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for amendment of certificate. The original application contained a check in the amount of \$4,500. This amount is sufficient to cover the cost of both the initial and remaining portion of the application, and is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The utility has provided copies of warranty deeds which provides for the continued use of the land as required by Rule 25-30.036(3)(d), Florida Administrative Code.

Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.036(3)(e), (f) and (i), Florida Administrative Code. A description of the water and wastewater territory is shown on Attachment A of this Order, which by reference is incorporated herein. Attachment B, which by reference is incorporated herein, is the utility's composite territory description which includes all previously granted territory and the additional water and wastewater service area. The utility has submitted an affidavit consistent with Section 367.045(2)(d), Florida Statutes, that it has tariffs and annual reports on file with the Commission.

Florida Water has been regulated by this Commission since 1964 and currently owns and operates over one hundred water and wastewater facilities throughout the state which are under our jurisdiction. Florida Water has a staff of engineers, scientists, accountants, and other professionals based in its Apopka

headquarters, as well as licensed operators that operate and maintain facilities located throughout the state. At year-end 1998, Florida Water's capital structure consisted of more than \$205 million in total capital, including more than \$117 million in long-term debt and more than \$86 million in equity capital.

The water treatment system consists of three supply wells and a one million gallon storage tank. The water treatment system can deliver a maximum daily demand of about 1,728,000 gallons per day (gpd), and a peak instantaneous demand of 2,700 gallons per minute. The highest maximum daily demand in the past 12 months was 1,263,100 gpd. Florida Water has sufficient capacity in the near future and will expand its water treatment system as required when additional facilities are needed.

The wastewater system currently serves only one-half of the existing Marion Oaks Development. Some water customers are served by septic tanks. The current permitted capacity is 200,000 gpd on a three month average basis. The wastewater treatment plant and effluent disposal system are currently scheduled to be expanded by 25,000 gpd. The construction is to be completed in the spring of 2000. The Department of Environmental Protection has no outstanding notices of violation against this system. Based on the above information, we find that the utility has the capacity and the technical expertise to serve these customers in the future.

Based on the above information, we find that it is in the public interest to grant Florida Water Services Corporation's application for amendment of Certificates Nos. 373-W and 322-S to include the additional territory described in Attachment A.

Florida Water has returned Certificates Nos. 373-W and 322-S for entry of the additional territory. The utility has also filed revised tariff sheets which reflect the amended territory description.

RATES AND CHARGES

Florida Water's rates were approved by Order No. PSC-96-1320-FOF-WS, issued October 30, 1996, in Docket No. 950495-WS. The Order was affirmed in part, and reversed in part on appeal. We disposed of the issues on remand by Order No. PSC-99-1794-FOF-WS, issued September 14, 1999. Florida Water shall charge the customers in the territory added herein its approved rates and

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charges until authorized to change by this Commission in a subsequent proceeding.

Based on the foregoing, it is

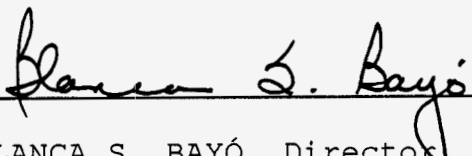
ORDERED by the Florida Public Services Commission that Certificates Nos. 373-W and 322-S held by Florida Water Services Corporation, 1000 Color Place, Apopka, Florida 32703, are hereby amended to included the territory described in Attachment A of this Order. It is further

ORDERED that all matters contained in the attachments hereto are, by reference, incorporated herein. It is further

ORDERED that Florida Water Services Corporation shall charge the customers in the territory added herein the rates and charges approved in its tariff until authorized to change by this Commission in a further proceeding. It is further

ORDERED that Docket No. 980467-WS is hereby closed.

By ORDER of the Florida Public Service Commission this 8th day of November, 1999.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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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 Director, Division of Records and Reporting, 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 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.

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ATTACHMENT A

FLORIDA WATER SERVICES CORPORATION

MARION OAKS SERVICE AREA

MARION COUNTY

ADDITIONAL WATER AND WASTEWATER TERRITORY

That part of Sections 13 and 24 in Township 17 South, Range 19 East, Marion County, Florida and Sections 3, 4, 5, 7, 8, 9, 16, 17, 18, 19, 20 and 30 in Township 17 South, Range 20 East, Marion County, Florida being one mile in width and being more particularly described as:

A tract of land lying northerly and easterly of the Withlacoochee River, lying southerly of the south quarter section line of Sections 3, 4, and 5 of Township 17 South Range 20 East, Marion County, Florida, and lying continuous to, northerly of and measuring one mile perpendicular to the center of State Road 200.

ATTACHMENT B

FLORIDA WATER SERVICES CORPORATION

MARION OAKS SERVICE AREA

MARION COUNTY

COMPOSITE WATER AND WASTEWATER TERRITORY DESCRIPTION

The following territory description is the composite territory description that includes all previously granted territory and the additional water and wastewater.

Township 17 South, Range 20 East and 19 East, Marion County, Florida

That part of Sections 13 and 24 in Township 17 South, Range 19 East, Marion County, Florida and Sections 3, 4, 5, 7, 8, 9, 16, 17, 18, 19, 20 and 30 in Township 17 South, Range 20 East, Marion County, Florida being one mile in width and being more particularly described as:

A tract of land lying northerly and easterly of the Withlacoochee River, lying southerly of the south quarter section line of Sections 3, 4, and 5 of Township 17 South Range 20 East, Marion County, Florida, and lying continuous to, northerly of and measuring one mile perpendicular to the center of State Road 200.

And also,

Township 17 South, Range 20 East, Marion County, Florida.

Sections 1

The South 1/4 of said Section 1.

Section 2

The South 1/4 of said Section 2.

Section 3

The South 1/4 of said Section 3 lying East of the centerline of State Road 200.

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Section 4

That part of Section 4 lying East of the centerline of State Road 200.

Section 9

The East 50 feet of the North 1520 feet of said Section 9.

Sections 10, 11, 12, 13, 14, 15

All of said Sections.

Section 16

That part of Section 16 lying East of the centerline of State Road 200 less and except:

The Northeast 1/4 of the Northeast 1/4 and the Northeast 1/4 of the Northwest 1/4 of said Section 16.

Section 17

That part of Section 17 lying East of the centerline of State Road 200.

Section 19

That part of Section 19 lying East of the centerline of State Road 200.

Section 20

That part of Section 20 lying East of the centerline of State Road 200.

Sections 21, 22, 23, 24, 25, 26, 27, 28

All of said Sections.

Section 29

That part of Section 29 lying North and East of the Withlacoochee River.

Section 30

That part of Section 30 lying North and East of the Withlacoochee River and East of the centerline of State Road 200.

Section 32

That part of Section 32 lying North and East of the Withlacoochee River.

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Section 33

That part of Section 33 lying North and East of the Withlacoochee River.

Sections 34, 35, 36

All of said Sections.

Township 17 South, Range 21 East, Marion County, Florida.

Section 1

The Southwest 1/4 of said Section 1 lying West of the Westerly right-of-way of Interstate 75.

Section 2

The South 1/4 of said Section 2 and the East 1/2 of the Northeast 1/4 of the Southeast 1/4 of said Section 2 and the Southwest 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section 2 and the South 1/2 of the Northwest 1/4 of the Southeast 1/4 of said Section 2 and the Southeast 1/4 of the Northeast 1/4 of the Southwest 1/4 of said Section 2.

Section 3

The South 1/4 of said Section 3.

Section 4

The South 1/4 of said Section 4.

Section 5

The South 1/4 of said Section 5.

Section 6

The South 1/4 of said Section 6.

Sections 7, 8, 9, 10, 11

All of said Sections.

Section 12

That part of Section 12 lying West of the Westerly right-of-way of Interstate 75.

Section 13

That Southwest 1/4 less and except the North 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 13.

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Sections 14, 15, 16, 17, 18, 19, 20, 21, 22, 23,
All of said Sections.

Section 24

The West 1/2 of said Section 24 and the West 1/2 of the
Southeast 1/4 of said Section 24 and the West 1/2 of the Southwest
1/4 of the Northeast 1/4 of said Section 24.

Sections 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35
All of said Sections.

Section 36

All of said Section 36 less and except the Northeast 1/4 of
the Northeast 1/4 of said Section 36.