

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building  
101 East Gaines Street  
Tallahassee, Florida 32399-0850

M E M O R A N D U M

MARCH 21, 1991

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING  
FROM : DIVISION OF WATER AND SEWER (REDEMANN) *PPR JC JMW*  
DIVISION OF LEGAL SERVICES (A. CROSBY) *msd*  
RE : UTILITY: POINCIANA UTILITIES, INC. (OSCEOLA AND POLK)  
DOCKET NO.: 900951-WS  
COUNTIES: POLK, OSCEOLA  
CASE: APPLICATION FOR AMENDMENT OF CERTIFICATES NOS.  
146-W AND 103-S IN OSCEOLA COUNTY BY POINCIANA UTILITIES,  
INC. TO INCLUDE TERRITORY IN POLK COUNTY UNDER  
GRANDFATHER RIGHTS.

AGENDA : APRIL 2, 1991 - CONTROVERSIAL - PARTIES MAY PARTICIPATE

CRITICAL DATES: NONE

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CASE BACKGROUND

On November 11, 1990, Poinciana Utilities, Inc. (Poinciana) filed an application for a grandfather certificate in Polk County. Poinciana provides service to areas in Osceola and Polk Counties. As of October 1, 1989, the Polk county portion of Poinciana became subject to the Commission's jurisdiction pursuant to Section 367.171(7), Florida Statutes. The referenced subsection provides that the Commission has exclusive jurisdiction over all utility systems whose service transverses county boundaries except for utility systems that are subject to inter-local utility agreements in effect as of January 1, 1991 that create a single governmental authority to regulate utility systems.

Poinciana currently provides water and wastewater service in Osceola County and operates the systems pursuant to Water Certificate No. 146-W and Sewer Certificate No. 103-S issued by the Commission. Water and wastewater service is provided by the same water and wastewater systems to customers in Polk County pursuant to an ordinance granted by the County.

DOCUMENT NO. DATE

0271291 3/21/1990  
FPSC - COMMISSION CLERK

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According to its 1989 Annual Report, Poinciana serves approximately 2,984 water customers and 2,803 wastewater customers in Osceola County. The systems generated \$1,257,969 in combined water and wastewater revenues in 1989 and experienced a combined net income of \$65,685. In Polk County, Poinciana serves 1,127 water and wastewater connections.

**DISCUSSION OF ISSUES**

**ISSUE 1:** Should Poinciana Utilities, Inc. (Poinciana) be authorized to amend its Water Certificate No. 146-W and Sewer Certificate No. 103-S in Osceola County to include territory in Polk County?

**RECOMMENDATION:** Yes, the utility should be authorized to amend its Osceola County Certificates Nos. 146-W and 103-S to include the Polk County water and wastewater service territories. The utility should be directed to return Certificates Nos. 146-W and 103-S within 20 days of the date of the Commission's order. (REDEMANN)

**STAFF ANALYSIS:** On November 30, 1990, Poinciana filed an application pursuant to Section 367.171(7), Florida Statutes, for amendment of its Water Certificate No. 146-W and Sewer Certificate No. 103-S to include territories served in Polk County. As discussed in the case background, Poinciana serves approximately 2,984 water and 2,803 wastewater customers in Osceola County, as well as approximately 1,127 water and wastewater customers in Polk County.

The application complies with Section 367.171(2)(b), Florida Statutes, and other pertinent statutes and administrative rules. Noticing of the application was not required, since this is a grandfather application, and the utility is entitled to receive a certificate for the area it serves. In particular, the application contains:

- 1) A check in the amount of \$4,500 which, upon calculation, equates to the correct filing fee as prescribed by Section 367.171, Florida Statutes, and Rule 25-30.020, Florida Statutes.
- 2) Adequate territory and system maps as well as a service territory description pursuant to Section 367.171(2), Florida Statutes. The utility provided copies of the franchise agreements with Polk County which contain a description of the franchised territories. Territory descriptions for Polk County are attached to this recommendation as Attachments A.
- 3) Evidence that the utility owns the land upon which the utility facilities are located.

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Poinciana is a wholly-owned subsidiary of Avatar Utilities, Inc., and has been providing the area with service for almost two decades. The utility's affiliates hold FPSC certificates in Brevard, Collier, Lee, and Osceola Counties. The utility has consistently demonstrated its financial and technical ability to provide safe and reliable service to its customers and to comply with the rules and regulations of the Commission. Further, the Department of Environmental Regulation has indicated to staff that no outstanding citations or violations exist for the utility systems being considered in this instance.

Based upon the above considerations, staff believes that the public interest would be served by amending Water Certificate No. 146-W and amending Sewer Certificate No. 103-S for service in Polk County in the territories described in Attachment A.

The utility should be directed to return Certificates Nos. 146-W and 103-S within 20 days of the date of the Commission's order. The utility has submitted revised tariff sheets reflecting the additional territory in Polk County. Upon issuance of the order in this docket, these revised tariff sheets will be approved by staff.

POINCIANA UTILITIES, INC.

TERRITORY DESCRIPTION

POLK COUNTY

In Township 26 South, Range 28 East.

Section 29: The E 1/2.  
Section 32: the NE 1/4 of the NE 1/4.

In Township 27 South, Range 28 East.

Section 5: All.  
Section 6: The SE 1/4 of the NE 1/4; the E 1/2  
of the SE 1/4.  
Section 7: The NW 1/4 of the NE 1/4; the NE 1/4 of the  
NW 1/4; the W 1/2 of the NW 1/4; the E 1/2  
of the SW 1/4; the SW 1/4 of the SW 1/4;  
the S 1/2 of the NW 1/4 of the SW 1/4.  
Section 8: All.  
Section 13: All.  
Section 14: All.  
Section 15: All.  
Section 16: All.  
Section 17: The NE 1/4 of the NE 1/4.  
Section 18: The N 3/4.  
Section 19: The S 1/2 of the NE 1/4; the S 1/2 of  
the NW 1/4; the NW 1/4 of the NW 1/4;  
the W 1/2 of the SW 1/4; the W 1/2 of  
the SE 1/4 of the SW 1/4; the SE 1/4 of  
the SW 1/4; the S 1/2 of the SE 1/4; all  
less the right of way for State Road 580.  
Section 21: All.  
Section 22: All.  
Section 23: All.  
Section 24: All.  
Section 25: All.  
Section 26: All.  
Section 27: The NE 1/4; the E 1/2 and the NW 1/4 of  
the NW 1/4; the E 1/2 and the NW 1/4 of

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- the SE 1/4.
- Section 28: The S 1/2 of the NW 1/4; the N 1/2 of the SW 1/4 of the SW 1/4.
- Section 29: The NE 1/4; the E 1/2 of the NW 1/4; the E 1/2 of the SW 1/4; the SW 1/4 of the SW 1/4; the N 1/2 of the SE 1/4; the SE 1/4 of the SE 1/4.
- Section 30: The E 1/2; the E 1/2 of the NW 1/4; the E 1/2 of the NW 1/4 of the NW 1/4; the SW 1/4 of the NW 1/4 of the NW 1/4; the NE 1/4 of the SW 1/4.
- Section 32: All the E 1/2, less the North 200 feet of the NW 1/4 of the NE 1/4.
- Section 33: All, less the SW 1/4 of the NW 1/4.
- Section 34: The SW 1/4 of the NW 1/4; the NW 1/4 of the SW 1/4; all of the NE 1/4 of the NE 1/4 lying North of Lake Marion Creek.
- Section 35: All, less the W 1/2 of the SW 1/4, and less the SW 1/4 of the NW 1/4.
- Section 36: All.

In Township 28 South, Range 28 East.

- Section 1: All.
- Section 2: All, less the SW 1/4 of the SE 1/4.
- Section 3: All.
- Section 4: All.
- Section 9: All.
- Section 10: All.
- Section 11: All.
- Section 12: All.
- Section 13: All, less the SE 1/4.
- Section 14: All.
- Section 15: All.
- Section 16: All.
- Section 21: The NE 1/4; the SE 1/4 lying North of Old Lake Hatchineha Road (SR 542); the E 1/2 of the NW 1/4; the SE 1/4 of the NW 1/4, less the North 400 feet of the West 660 feet thereof; the NW 1/4 of the SW 1/4 less the West 30 feet thereof; the S 1/2 of

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ATTACHMENT A

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the NE 1/4 of the SW 1/4 lying North of the Old Hatchineha Road (SR 542); all less the Right of Way of Old Lake Hatchineha Road (SR 542).

Section 22: All, less the right of way for State Road 542.

In Township 28 South, Range 29 East.

Sections 5 and 8, and all that portion of Sections 4, 9, 16, and 17, lying West and North of the following described line; begin at a point on the North line of said Section 4, said point being 660.0 feet East of the NW corner of said Section 4; thence run S 0' 04' 17" W, parallel to the West line of said Section 4, for a distance of 5180.31 feet; thence run S 0' 06' 30" W, 660 feet East of and parallel to the West line of said Section 9, for a distance of 5443.73 feet (S 0' 16' 30" W, 10623.4 feet, deed) to a point 50.0 feet northwesterly from the centerline of an existing drainage canal; thence run S 44' 50' 30" W (S 45 10 W, deed) 50.0 feet Northwesterly of and parallel to the centerline of said canal, for a distance of 354.39 feet (373.05, deed); thence run S 61' 37' 30" W (S 61' 50' W, deed) continuing 50.0 feet from and parallel to the centerline of said canal, for a distance of 1733 feet, more or less (1200.00, (deed); to the edge of Lake Hatchineha; thence meander Northwesterly along the edge of Lake Hatchineha to its intersection with the West line of said Section 8.

Section 6: All.

Section 7: All.

Section 18: The North 1,976.01 feet of the West 2,172.63 feet, all lying North and West of Lake Hatchineha.

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**ISSUE 2:** What rates and charges should be approved for the Polk County territory of Poinciana Utilities, Inc.?

**RECOMMENDATION:** The existing rate and charges for Osceola County should be approved for the Polk County territory. (Redemann)

**STAFF ANALYSIS:** The rates and charges in effect in Polk County are the same as those approved by this Commission for Osceola County. The water and wastewater rates were last changed by a pass through and a price index by WS-90-0210 and became effective September 8, 1990. The service availability charges became effective on April 26, 1988 by Order No. 19233, Docket No. 870689-WS. Staff sees no reason to change them at this time and recommends that they be continued until changed by the Commission in a future proceeding. For your information we have listed the current rates and charges.

Poinciana Utilities, Inc.  
Polk County System  
Water Rates for Service  
Monthly Rates

Residential, General Service (Including Multi-Units)

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallonage Charge</u>
5/8" x 3/4"	\$ 5.24	\$1.05 per 1000 gallons
3/4"	7.87	\$1.05 per 1000 gallons
1"	13.12	\$1.05 per 1000 gallons
1 1/2"	26.21	\$1.05 per 1000 gallons
2"	41.94	\$1.05 per 1000 gallons
3"	83.87	\$1.05 per 1000 gallons
4"	131.05	\$1.05 per 1000 gallons
6"	262.09	\$1.05 per 1000 gallons
8"	419.35	\$1.05 per 1000 gallons

Private Fire Protection Service Rates

For each 1" fire line	\$ 4.37
1-1/2" fire line	8.74
2" fire line	13.98
3" fire line	27.96
4" fire line	43.68
6" fire line	87.37
8" fire line	139.79
10" fire line	200.78
12" fire line	375.37



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Wastewater Rates for Service  
Monthly Rates  
General Service (Including Multi-Units) Rates

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallonge Charge</u>
5/8" x 3/4"	\$ 13.80	\$1.87 per 1000 gallons
3/4"	34.56	\$1.87 per 1000 gallons
1"	69.09	\$1.87 per 1000 gallons
1 1/2"	110.55	\$1.87 per 1000 gallons
2"	221.08	\$1.87 per 1000 gallons
3"	345.45	\$1.87 per 1000 gallons
4"	690.88	\$1.87 per 1000 gallons
6"	1,105.41	\$1.87 per 1000 gallons
8"	1,589.04	\$1.87 per 1000 gallons

Residential Service

Rate Schedule RS - Sewer Service

<u>Meter Size</u>	<u>Rate</u>
All Meter Sizes	\$21.65 Flat Rate

Service Availability Charges

Main Extension

	<u>Single Family</u>	<u>Multiple Family (Per Unit)</u>	<u>Non-Residential</u>
Water-Per ERC (413 GPD)	\$ 390	\$ 312	\$0.9443/gal. but not less \$390
Sewer-Per ERC (277 GPD)	<u>760</u>	<u>608</u>	<u>2.7437/gal. but not less than \$760</u>
Total	<u>\$1,150</u>	<u>\$ 920</u>	<u>\$3.6880/gal. but not less than \$1,150</u>

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Plant Capacity

	<u>Single Family</u>	<u>Multiple Family (Per Unit)</u>	<u>Non-Residential</u>
Water-Per ERC (413 GPD)	\$ 170	\$ 136	\$0.4116/gal. but not less \$170
Sewer-Per ERC (277 GPD)	<u>550</u>	<u>440</u>	<u>1.9856/gal. but</u> not less than \$550
Total	<u>\$ 720</u>	<u>\$ 576</u>	<u>\$2.3972/gal. but</u> not less than \$720

Water (Meter Installation Fee)

5/8" x 3/4" meter	\$ 75.00
1" meter	\$110.00
Over 1" meter	Actual Cost

Sewer (Tap-In Fee)

Per Connection	\$40.00 (Outside of Industrial Park Area)
Per Connection	\$150.00 (Within Industrial Park Area)

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**ISSUE 3:** Should the docket be closed?

**RECOMMENDATION:** Yes. (A. CROSBY)

**STAFF ANALYSIS:** No further action will be required in this docket; therefore, it should be closed upon issuance of the order.

RPR/ALC (900951WS.db)