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June 21, 1991

Hand Delivery

Mr. Steve Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32399-0850

RE: Complaint and petition of Sandy Creek Airpark, Inc., against
SANDY CREEK UTILITIES, INC., regarding provision of water
and sewer service in Bay County.
Docket No. 910111-WS

Dear Mr. Tribble:

Enclosed for filing please find an original and fifteen (15)
copies of the following:

Prehearing Statement of Sandy Creek Utilities, Inc.

Please acknowledge receipt of the foregoing by stamping the
enclosed extra copy of this letter and returning same to my
attention. Thank you for your assistance.

Very truly yours,

Wayne L. Schiefelbein
Wayne L. Schiefelbein

ACK _____
AFA _____
APP _____
CAF _____
CMU WLS/bp
CTR _____
EAG Enclosures
LEG _____
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SEC _____
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OTH _____

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

06252 JUN 21 1991

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Complaint and petition
of Sandy Creek Airpark, Inc.,
against Sandy Creek Utilities, Inc.,
regarding provision of water and
sewer service in Bay County.

Docket No. 910111-WS

Filed: June 21, 1991

PREHEARING STATEMENT OF SANDY CREEK UTILITIES, INC.

Pursuant to Order No. 24440, and Rule 25-22.038, Florida Administrative Code, Sandy Creek Utilities, Inc. (the "Utility"), by and through its undersigned counsel, files its prehearing statement.

- a) The name and address of all known witnesses that may be called by the utility and the subject matter of their testimony:

Direct

1. Deborah D. Swain
2025 SW 32nd Avenue
Miami, FL 33145

Ms. Swain's prefiled direct testimony addresses the Utility's capacity to provide service, the Utility's financial ability to provide service, the history of the Airpark's request for service, and the conditions under which the Utility may provide service.

Rebuttal

The Utility has not yet determined whether it will submit prefiled rebuttal testimony in this case. Such testimony is slated for filing on or before June 25, 1991.

- b) A description of all known exhibits that may be sponsored by the party, their contents, whether they may be identified on a composite basis, and the witness sponsoring each:

DOCUMENT NUMBER-DATE
06252 JUN 21 1991
PSC-RECORDS/REPORTING

1. Ms. Swain's prefiled direct testimony sponsors the following:
 - i) Attachment A--List of conditions under which the Utility may provide service to the Airpark.
 2. At this time, the Utility does not know whether any rebuttal exhibits will be prefiled. Such exhibits are due June 25, 1991.
 3. The Utility may ask the Commission to take notice of its current water and sewer tariffs.
- c) A statement of basic position in the proceeding:
The Utility does not presently have adequate capacity (water treatment, wastewater collection, nor financial capacity) to provide service to the Airpark. However, if its conditions are met, as set forth in Attachment A to Ms. Swain's testimony, the Utility would have the financial ability to provide service.
- d) A statement of each question of fact the party considers at issue, the party's position on each such issue, and which of the party's witnesses will address the issue:

ISSUE 1: Is the geographic area for which the Airpark seeks service located within the Utility's certificated service area?

POSITION: No. (Swain)

ISSUE 2: Does the Utility have the financial ability or the capacity to serve the area for which the Airpark seeks service?

POSITION: No. The Utility does not presently have adequate capacity (water treatment, wastewater collection, nor financial capacity) to provide service to the area for which the Airpark seeks service. An extension to the

area for which the Airpark seeks service risks exacerbating the serious problems of the existing collection system and detracts from the capacity needed to serve future customers within the Utility's certificated service area. (Swain)

- e) A statement of each question of law the party considers at issue and the party's position on each such issue:

ISSUE 1: Does the Commission have the power to compel the Utility to extend service outside of its certificated service area?

POSITION: No, pursuant to Section 367.121(1)(d), Florida Statutes, the Commission lacks that power where, as in this case, the Utility does not have the capacity or financial ability to extend such service. Section 367.045, Florida Statutes, invoked by the Airpark, is not applicable, because that section deals with the authority and power of the Commission in considering and ruling upon applications for certificates, and deletions and amendments thereto. There is no such application before the Commission in this docket. Rule 25-30.560, Florida Administrative Code, also invoked by the Airpark, is not applicable since the Utility has not filed for a change in its service availability policy or charges and the Commission has not initiated a show cause proceeding to require the Utility to change such policy or charges.

- f) A statement of each policy question the party considers at issue, the party's position on each such issue, and which of the party's witnesses will address the issue:

ISSUE 1: Under what conditions, if any, may the Commission require the Utility to extend service?

POSITION: Consistent with the listed conditions sponsored by Ms. Swain's prefiled direct testimony, the Commission should inform the Airpark that if it wishes to receive a commitment from the Utility that capacity for the 50 lots within Phase II of the Airpark will be available, it must enter into a developer's agreement and bear a fair share of the costs of such extension of service by advance payment of appropriate service availability charges, including a capacity charge. This would ensure that the Utility has the continued ability to provide service needed within its certificated service area. (Swain)

g) A statement of issues that have been stipulated to by the parties:

None.


h) A statement of all pending motions or other matters the party seeks action upon:

Since the Commission is scheduled to render its final decision in the pending rate case in Docket No. 900505-WS prior to reaching its decision in the instant docket, the Utility may ask that the Commission take notice of its rate case findings, as to plant capacity, the financial condition of the Utility, and quality of service, in this proceeding.

i) A statement as to any requirement set forth in this order that cannot be complied with, and the reasons therefore.

The Utility believes the foregoing faithfully complies with the requirements of Order No. 24440.

RESPECTFULLY SUBMITTED on this 21st day of June, 1991.



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(904) 877-7191

Attorneys for
SANDY CREEK UTILITIES, INC.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by regular U.S. Mail to F. MARSHALL DETERDING, ESQ., Rose, Sundstrom & Bentley, 2548 Blairstone Pines Drive, Tallahassee, Florida 32301; and by hand delivery to MATTHEW J. FEIL, ESQ., Division of Legal Services, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, Florida 32399-0863, on this 21st day of June, 1991.



WAYNE L. SCHIEFELBEIN