

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Meadow-) DOCKET NO. 920674-WU  
Wood for a Water Certificate ) ORDER NO. PSC-92-1114-FOF-WU  
in Citrus County, Florida. ) ISSUED: 10/05/92  
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The following Commissioners participated in the disposition of this matter:

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

ORDER GRANTING CERTIFICATE, ESTABLISHING  
RATES AND CHARGES, AND REQUIRING THE UTILITY TO PAY 1991  
REGULATORY ASSESSMENT FEES, AND FILE A 1991 ANNUAL REPORT

BY THE COMMISSION:

On May 14, 1992, Meadow Wood filed an application with this Commission for a certificate to provide water service to a small community located several miles southeast of Crystal River, Florida. The utility consists of a water treatment system and a transmission and distribution system. The utility has been in existence since 1960, and has been subject to Commission regulation since 1973 when the Commission began regulating the utilities in Citrus County.

On January 2, 1992, a complaint was received from a customer regarding the provision of service without meters at a flat rate of \$17 per month. An application form was sent to Meadow Wood on January 8, 1992. A second form was sent on January 22, 1992. On February 18, 1992, Meadow Wood requested a thirty day extension to file the application. A third application form was sent to the utility on April 13, 1992. As stated previously, the application was filed on May 14, 1992. According to the owner, Mr. Richard E. Instine, illness prevented him from filing the application in a timely manner. All deficiencies were corrected and the filing was complete on August 17, 1992.

The utility has been operated without a certificate for approximately 19 years; it has been operated by Mr. Instine since 1982. Although the system has been operating without a certificate for many years, the utility is very small, and apparently the owners were not aware of the necessity of filing for a certificate. Therefore, we will not initiate show cause proceedings against Mr. Instine for operating without a certificate.

DOCUMENT NUMBER-DATE

11575 OCT -5 1992

### Application

Except as discussed previously, the application is in compliance with Section 367.045, Florida Statutes, and other pertinent Statutes and administrative rules. In particular, the application contains a filing fee in the amount of \$150, pursuant to Rule 25-30.020, Florida Administrative Code. Meadow Wood provided evidence that it owns the land upon which its facilities are located, in accordance with Rule 25-30.034(1)(e), Florida Administrative Code.

The Utility also provided adequate service territory and system maps, as prescribed by Rule 25-30.034(1)(h), (i) and (j), Florida Administrative Code. The territory which Meadow Wood has requested to serve is described in Attachment A of this Order, which by reference is incorporated herein.

Meadow Wood has provided proof of compliance with the noticing provisions of Rule 25-30.030, 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. A group of customers did, however, formally inquire into the impact of regulation on the operation of the utility. After receiving the Commission Staff's response to their inquiry, the customers indicated that they did not object to the application.

Although Mr. Instine has no prior experience in the operation of a utility, he has managed and operated the Meadow Wood system for approximately 10 years. He also has a contract operator to care for the system on a routine basis. According to the information filed with the application, Mr. Instine does not have a significant level of financial resources. However, there is no other entity in the position to take over the operation of the utility. The City of Crystal River is not close enough to provide service nor does it wish to do so. The utilities located in the area were contacted; none expressed an interest due to the age and size of the system. Although there was some discussion about the customers forming a homeowners association, no action has been taken.

The Department of Environmental Regulation (DER) and the Department of Health and Rehabilitative Services (HRS) are aware of the application. Although some discrepancies have been noted by them, no notices or other sanctions have been levied against Meadow

Wood. One of the problems noted is that the pressure has fallen below the required minimum on a number of occasions. Since the system's capacity does not appear to be the reason for occasional low pressure, Mr. Instine has been advised by DER and HRS to take measures to assure system pressure is maintained at the appropriate level at all times.

Based on the foregoing, we find that it is in the public interest to grant Meadow Wood Certificate No. 545-W to serve the territory described in Attachment A of this Order.

#### Rates and Charges

Meadow Wood began charging a flat residential rate of \$23.00 per month, effective February 1, 1992. Prior to that time the flat rate was \$17.00. The rate was changed due, in part, to increased costs in water testing required by environmental agencies. The increase should offset the cost of testing and increases due to inflation. The bulk of the increase in testing costs occurs once every three to four years. In the interim between those years, Mr. Instine will be able to use the funds to improve the operation and technical quality of the system. Therefore, we find the residential flat rate of \$23.00 per month to be reasonable and it is approved. The utility has no other rates in effect at this time.

Although Meadow Wood has requested a \$50.00 miscellaneous service charge, no evidence has been filed to support this charge. Therefore, we find the following miscellaneous service charges, in accordance with the latest revision of Staff Advisory Bulletin No. 13, to be appropriate:

|                          |       |
|--------------------------|-------|
| Initial Connection Fee   | \$ 15 |
| Normal Connection Fee    | 15    |
| Violation Connection Fee | 15    |
| Premises Visit Fee       | 10    |

Mr. Instine also requested a \$50.00 customer tap-in fee, which we find to be superfluous since no expansion is contemplated. In the future, if expansion is indicated, the utility may file for approval of a service availability policy and related charges. It should also be noted that the utility does not collect customer deposits and none are approved herein.

Meadow Wood has filed a tariff reflecting the rates and charges approved herein. The effective date of the tariff shall be the stamped approval date on the tariff sheets.

1991 Annual Report and Regulatory Assessment Fees

Rules 25-30.110(3) and 25-30.120(2), Florida Administrative Code, require regulated utilities to file annual reports and pay regulatory assessment fees whether or not a certificate has been granted. Meadow Wood has been subject to this Commission's jurisdiction since 1973, although we were not aware of its existence until 1990. In 1992, the utility was advised of the Commission's jurisdiction and of the necessity of filing for a certificate. Therefore, Meadow Wood shall pay regulatory assessment fees for 1991 and file a 1991 annual report with this Commission within 45 days of the date of this Order.

It is, therefore,

ORDERED by the Florida Public Service Commission that Meadow Wood, 1820 North Cherry Terrace, Crystal River, Florida 32629, is hereby granted Certificate No. 545-W to serve the territory described in Attachment A of this Order. It is further

ORDERED that Meadow Wood shall charge the rates and charges approved in the body of this Order until authorized to change by the Commission. It is further

ORDERED that Meadow Wood shall pay regulatory assessment fees for 1991 and file a 1991 annual report within 45 days of the date of this Order. It is further

ORDERED that Docket No. 920674-WU is hereby closed.

By ORDER of the Florida Public Service Commission this 5th day of October, 1992.

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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

ALC

by: Kay Jeyan  
Chief, Bureau of Records

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 Civil 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

MEADOW WOOD

Territory Description

The following described lands located in portions of Section 26, Township 18 South, Range 17 East, Citrus County, Florida:

A division of the South 1/2 of the Northeast 1/4 of the Northeast 1/4 of Section 26.