

FLORIDA PUBLIC SERVICE COMMISSION
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M E M O R A N D U M

MAY 30, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF WATER & WASTEWATER (AUSTIN) *SJA*
DIVISION OF LEGAL SERVICES (CAPELESS) *HT* *MP* *bl*

RE: DOCKET NO. 960376-WS - ROLLING OAKS UTILITIES, INC. -
REQUEST FOR APPROVAL OF BULK SERVICE AGREEMENT WITH
MORRISON HOMES OF FLORIDA, INC. IN CITRUS COUNTY
COUNTY: CITRUS

AGENDA: 06/11/96 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\960376WS.RCM

CASE BACKGROUND

Rolling Oaks Utilities, Inc. (Rolling Oaks or utility) is a Class B utility providing water and wastewater in Citrus County. Rolling Oaks is located in a Water Use Caution Area as designated by the Governing Board of the Southwest Florida Water Management District. The utility provides approximately 5,661 customers with water and 4,195 customers with wastewater service. In 1995, Rolling Oaks reported operating revenues of \$750,793 and \$1,000,010 and a net operating income of \$22,227 and \$166,907, for its water and wastewater systems, respectively.

On February 8, 1995, a Special Service Availability Agreement between Rolling Oaks and George Wimpey of Florida, Inc., (Wimpey agreement) was filed with the Commission, pursuant to Section 367.101, Florida Statutes. The Wimpey agreement consisted of a Bulk Service Agreement and an Amendment to Agreement for Provision of Potable Water Supply and Sanitary Sewage Treatment and Disposal, both dated December 23, 1994. Along with the Wimpey agreement, the utility requested approval for a new class of service to provide bulk service, and a proposed tariff sheet, pursuant to the provisions of the agreement. On February 16, 1995, the request was docketed.

DOCUMENT NUMBER-DATE

05914 MAY 30 1996

FPSC-RECORDS/REPORTING

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By Order No. PSC-95-0730-FOF-WS, issued June 20, 1995 in Docket No. 950186-WS, the Commission denied the Wimpey agreement, new class of service, and proposed tariff sheet. By that Order, the Commission outlined those aspects of the Wimpey agreement that were acceptable, as well as those that were not acceptable. On February 20, 1996, a revised bulk service agreement was submitted. The recommendation for the revised Wimpey agreement was filed for consideration at the April 16, 1996, Agenda Conference.

On March 14, 1996, a Bulk Service Agreement and an Amendment to Agreement for Provision of Potable Water Supply and Sanitary Sewage Treatment and Disposal was filed between Rolling Oaks and Morrison Homes of Florida, Inc. (Morrison agreement) pursuant to Rule 25-30.550(1), Florida Administrative Code. The Morrison agreement was identical to the Wimpey agreement which was pending approval in Docket No. 950186-WS. Since a decision was pending on Rolling Oaks' request for a new class of service to provide bulk service pursuant to the Wimpey agreement, staff could not administratively approve the Morrison agreement. In order to meet the guidelines for developer agreements pursuant to Rule 25-30.550(1), Florida Administrative Code, by letter dated March 25, 1996, staff notified the parties of our inability to approve the agreement administratively and that a docket would be opened for a decision by the Commission on the request for approval of the agreement. A docket was opened on March 26, 1996.

By Order No. PSC 96-0596-FOF-WS, issued May 7, 1996, in Docket No. 950186-WS, the Commission approved the Wimpey agreement and thereby approved the request for a new class of service to provide bulk service and the tariff sheet. This recommendation addresses Rolling Oaks' request to provide bulk service pursuant to the newly approved tariff sheet.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: This docket should be closed if no person whose interests are substantially affected by the proposed action files a protest within the 21 day protest period. (CAPELESS)

STAFF ANALYSIS: This docket should be closed if no person whose interests are substantially affected by the proposed action files a protest within the 21 day protest period.