

FLORIDA PUBLIC SERVICE COMMISSION
Capital Circle Office Center • 2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

M E M O R A N D U M

November 20, 1996

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

FROM: DIVISION OF WATER & WASTEWATER (TOMLINSON, REDEMANN)
DIVISION OF LEGAL SERVICES (CROSBY)

RE: DOCKET NO. 960989-WS -VILLAGE WATER, LTD. - APPLICATION FOR
CERTIFICATES UNDER GRANDFATHER RIGHTS TO PROVIDE WATER AND
WASTEWATER SERVICE
COUNTY: POLK

AGENDA: DECEMBER 3, 1996 - REGULAR AGENDA - INTERESTED PERSONS MAY
PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\WAW\WP\960989WS.RCM

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CASE BACKGROUND

On May 14, 1996, the Board of County Commissioners of Polk County adopted a resolution, pursuant to Section 367.171, Florida Statutes, declaring the water and wastewater utilities in that County subject to the provision of the Water and Wastewater Regulatory Law, Chapter 367, Florida Statutes. The resolution was acknowledged by this Commission on July 11, 1996, by Order No. PSC-96-0896-FOF-WS. Pursuant to Section 367.131, Florida Statutes, a utility subject to the jurisdiction of this Commission must obtain a certificate of authorization.

On August 28, 1996, Village Water, Ltd. (Village Water or utility) filed an application for a certificate to provide water and wastewater service in Polk County. Village Water provides water service to approximately 137 residential customers and 34 general service customers in Polk County. The utility also provides wastewater service to 29 general service customers. Village Water has been providing water and wastewater service since 1972.

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DISCUSSION OF ISSUES

ISSUE 1: Should the application of Village Water, Ltd. for water and wastewater certificate be granted?

RECOMMENDATION: Yes, Village Water, Ltd. should be granted Water Certificate No. 585-W and Wastewater Certificate No. 503-S to serve the territory described in Attachment A. (TOMLINSON, MCROY)

STAFF ANALYSIS: On August 28, 1996, Village Water filed its application for a grandfather certificate to provide service in Polk County. The application is in compliance with the governing statute, Section 367.171, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for a grandfather certificate. The rules and statutes do not require noticing for grandfather certificate applications. The application contains a check in the amount of \$1,000 (\$500 for water and \$500 for wastewater) which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The applicant has provided evidence that the utility owns the land upon which its facilities are located as required by Rule 25-30.035(6), Florida Administrative Code.

Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.035(9), (10), and (11), Florida Administrative Code. A description of territory requested by the applicant is appended to this memorandum as Attachment A. Staff has contacted the Department of Environmental Protection (DEP) and learned that there are no outstanding notices of violation.

Based on the above information, Staff believes it is appropriate to grant Village Water's application for a grandfather certificate to provide water and wastewater service. Accordingly, Staff recommends that Village Water, Ltd. be granted Water Certificate No. 585-W and Wastewater Certificate No. 503-S to serve the territory described in Attachment A.

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ATTACHMENT A

VILLAGE WATER, LTD.

WATER AND WASTEWATER SERVICE AREA

POLK COUNTY

In Township 28 South, Range 24 East, Polk County, Florida:

Section 24: The Southwest 1/4 of Southeast 1/4.

Section 25: The West 3/4 Less the North 1/8 of Northwest 1/4.

Section 26: The South 1/2 of the Northeast 1/4 less the North 247 feet thereof, and the Southeast 1/4.

Section 35: The East 1/2.

Section 36: All Less (a) the Southeast 1/4 of Southeast 1/4 and (b) that part of the Southwest 1/4 of Southeast 1/4 described as: begin at the intersection of the West line of the southwest 1/4 of Southeast 1/4 of Section 36 with North right-of-way line of State Road 540, being 19 feet North of the Southwest corner of the Southwest 1/4 of Southeast 1/4, run thence North 519 feet, thence turn right an angle of 89 degrees from North to East and run East 587.38 feet, thence turn left an angle of 45 degrees from East to Northeast and run Northeast 331.75 feet, thence turn left an angle of 44 degrees 30 feet from Northeast to North and run North 549 feet, more or less, to the North line of the Southwest 1/4 of Southeast 1/4, thence run East 509 feet, more or less, to the Northeast corner of Southwest 1/4 of Southeast 1/4, thence South 1314 feet, more or less, to the North right-of-way line of State Road South 540, thence Westerly along said North right-of-way line 1321.84 feet to the point of beginning.

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ATTACHMENT A

VILLAGE WATER, LTD.

WATER AND WASTEWATER SERVICE AREA

POLK COUNTY

(Continued)

Section 26: The North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ less the North $\frac{1}{8}$ of the East $\frac{3}{4}$ of the said Northeast $\frac{1}{4}$; and also, the North 247 feet of the South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$; and also, the Southeast $\frac{1}{4}$ of the North $\frac{1}{4}$; and also the East $\frac{1}{2}$ of the Southwest $\frac{1}{4}$; and also, the South $2\frac{1}{2}$ acres of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$.

Section 35: The Northwest $\frac{1}{4}$ and the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$.

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ISSUE 2: What rates and charges should be approved for this utility?

RECOMMENDATION: The rates and charges as detailed in the Staff analysis should be approved. The effective date of the rates should be the stamped approval date on the tariff. (TOMLINSON)

STAFF ANALYSIS: Staff verified that the rates presented by Village Water were the rates applicable at the time the Commission received jurisdiction. These rates were approved by Polk County in a rate case and became effective October 1, 1990.

On November 24, 1996, the Florida Public Service Commission approved a pass-through rate increase to recognize any difference in regulatory assessment fees. (Subsection 367.171(2)(c), Florida Statutes, provides for approving rates prior to the actual issuance of a grandfather certificate.) The utility's rates and charges are as follows:

Monthly Service Rates

Water:

Residential Service:

Minimum Charge: \$12.50

Gallonage Charge: \$2.43 per 1,000

General Service:

Minimum Charge: 3/4"	\$	12.50
1"	\$	31.26
1 1/2"	\$	62.51
2"	\$	100.02
3"	\$	200.04
4"	\$	312.59
8"	\$	1,000.19

Gallonage Charge: \$2.43 per 1,000

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Wastewater:

Residential Service:

Minimum Charge: N/A

Gallage Charge: N/A

General Service:

Minimum Charge: 3/4"	\$	41.50
1"	\$	103.75
1 1/2"	\$	207.48
2"	\$	331.97
3"	\$	663.95
4"	\$	1,037.41
8"	\$	3,319.73

Gallage Charge: \$3.78 per 1,000

Customer Deposits

Water

<u>Meter Size:</u>	<u>Residential</u>	<u>General Service</u>
5/8 x 3/4"	\$25.00	\$ 50.00
1"	N/A	\$ 50.00
1 1/2"	N/A	\$100.00
2"	N/A	\$125.00
4"	N/A	\$150.00
8"	N/A	\$300.00

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Wastewater

<u>Meter Size:</u>	<u>Residential</u>	<u>General Service</u>
5/8 x 3/4"	N/A	\$ 50.00
1"	N/A	\$100.00
1 1/2"	N/A	\$150.00
2"	N/A	\$200.00
4"	N/A	\$450.00
8"	N/A	\$900.00

Meter Test Deposits

<u>Meter Size:</u>	<u>Charge</u>
5/8 x 3/4"	\$15.00
1" and 1 1/2"	\$20.00
2" and over	Actual Cost

Miscellaneous Service Charges

Initial Connection Fee:	\$ 15.00
Normal Reconnection Fee:	\$ 15.00
Violation Reconnection Fee:	\$ 25.00
Premises Visit Fee:	\$ 15.00
Temporary Absence Disconnection	\$ 15.00
Theft of Service	\$100.00
Late Charge	\$ 3.00
Returned Check Charge	\$ 20.00
Fire Hydrant Charge	\$500.00
Reconnect Charge	\$ 25.00
(Same day service on overtime)	

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Service Availability Charges

Customer Connection (Tap-in) Charge:

	<u>Water</u>	<u>Wastewater</u>
5/8" x 3/4"	\$ 200.00 (RS)	\$ 600.00 (RS)
5/8" x 3/4"	\$ 650.00 (GS)	\$ 900.00 (GS)
1"	\$ 1,660.00	\$ 2,600.00
1 1/2"	\$ 3,680.00	\$ 6,000.00
2"	\$ 6,500.00	\$10,900.00
4"	\$27,600.00	\$48,000.00

Back-flow Preventor Installation Fee:
Actual Cost (all meter sizes)

Main Extension Charge:
Actual Cost (all meter sizes)

Meter Installation Fee:
Actual Cost (all meter sizes)

The utility has filed a tariff which reflects the above rates and charges. Staff recommends that they be approved as submitted. Staff further recommends that Village Water be required to continue to charge these rates and charges until authorized to change by the Commission. The tariff should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets.

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ISSUE 3: Should Village Water, Ltd. be required to pay regulatory assessment fees for 1996 and file a 1996 Annual Report with the Commission?

RECOMMENDATION: Yes, the utility should be required to remit regulatory assessment fees for 1996 and file a 1996 Annual Report by March 31, 1997. (TOMLINSON)

STAFF ANALYSIS: Pursuant to Rule 25-30.120(2), Florida Administrative Code, "any utility which is subject to this Commission's jurisdiction on or before December 31 of that year or for any part of that year, whether or not the utility has actually applied for or been issued a certificate" is required to pay regulatory assessment fees. Additionally, Rule 25-30.110(3), Florida Administrative Code, states that "(t)he obligation to file an annual report for any year shall apply to any utility which is subject to this Commission's jurisdiction as of December 31 of that year, whether or not the utility has actually applied for or been issued a certificate." Staff, therefore, recommends that Village Water be required to pay Regulatory Assessment Fees and file an Annual Report from the jurisdictional date, May 14, 1996, by March 31, 1997.

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ISSUE 4: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed. (TOMLINSON)

STAFF ANALYSIS: No further action is required and the docket should be closed.