

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: APPLICATION OF MAD HATTER
UTILITY, INC. FOR AMENDMENT OF
WATER AND WASTEWATER CERTIFICATES
IN PASCO COUNTY, FLORIDA

DOCKET NO. 960576-WS

**PASCO COUNTY'S ISSUES FOR DISCUSSION
AT THE PRE-PREHEARING**

Pursuant to the notice of pre-prehearing, Pasco County suggests the following issues for discussion at the pre-prehearing to be held on February 10, 1997:

1. Did Pasco County and Mad Hatter enter into a bulk wastewater treatment agreement on February 11, 1992?
2. Does the 1992 agreement require the County to treat up to 350,000 gallons per day (GPD) of wastewater collected by Mad Hatter?

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3. Has the United States District Court, Middle District of Florida, in Mad Hatter Utility, Inc. v. Pasco County and Dougl S. Bramlett, Case. No. 94-1473-Civ-T-25 E determined that Mad Hatter failed to prove its claim that Pasco County breached the parties' 1992 agreement by failing to treat more than 350,000 GPD?

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4. Does the 1992 agreement also provide:

The County shall not be obligated under the terms of this Agreement to treat additional wastewater

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from Mad Hatter from areas outside of its certificated area or areas which are not presently served by Mad Hatter unless the County issues written notification that it does not object to such additional services. Mad Hatter's service area is more specifically identified on Exhibit 3 attached hereto and incorporated herein by reference.

5. Has the District Court found that Exhibit 3 to the 1992 agreement is Mad Hatter's service area and thus Pasco County need not provide service to Mad Hatter customers outside that area?

6. Pursuant to the terms of the agreement, is Pasco County only obligated to provide wastewater treatment for up to 350,000 GPD and only to those areas identified on Exhibit 3 to the 1992 agreement?

7. Are the areas to which Mad Hatter now seeks to extend its PSC certificated territory outside its service area as defined by Exhibit 3 to the 1992 agreement?

8. Does Mad Hatter have the capacity to provide wastewater treatment services to the areas requested independent of Pasco County Utilities?

9. Is Mad Hatter's current annual average wastewater treated by Pasco County 338,000 GPD?

10. Is Pasco County committed to provide service to an additional 45,000 GPD of wastewater to be delivered by Mad Hatter when the customers to whom mad Hatter has agreed to provide service are connected to the County's system?

11. Has Mad Hatter's committed capacity with Pasco County exceeded the 350,000 GPD limit in the 1992 agreement, thus relieving Pasco County of any obligation to treat additional wastewater from Mad Hatter?

12. Are the decisions of the United States District Court, Middle District of Florida, in Mad Hatter Utility, Inc. v. Pasco County and Douglas S. Bramlett, Case No. 94-1473-Civ-T-25E, res judicata on this matter?

13. Does Mad Hatter's agreement with Pasco County require the County to construct additional facilities so that Mad Hatter may exceed the 350,000 GPD cap?

14. Has Mad Hatter been serving outside its PSC certificated area in violation of Fla. Stat. §367.045(2)?

15. Does Mad Hatter collect and send to Pasco County Utilities for treatment approximately 64,000 GPD of wastewater which comes from customers who Mad Hatter is illegally serving outside of its PSC certificated area?

16. Has Mad Hatter ever requested Pasco County increase the 350,000 GPD cap in the parties 1992 agreement?
17. Did the District Court rule that Mad Hatter may not allege that it entered into the 1992 agreement under duress?
18. Does Mad Hatter have the capacity to serve the extended territory as required by Rule 25-30.026(3)(j)?
19. Did Mad Hatter voluntarily relinquish its Florida Department of Environmental Regulation (DER) permits pursuant to a consent order due to Mad Hatter's unpermitted dumping of wastewater into the public waterways of Pasco County?
20. Did one of Mad Hatter's DER permits expire and did Mad Hatter failed to file a timely request to DER to renew the permit?
21. Will the DER's successor, the Florida Department of Environmental Protection (DEP), permit Mad Hatter to treat wastewater from the extended territory?
22. Was Mad Hatter candid with the PSC when it put in its application that it has been in conformance with all applicable regulatory standards?
23. Does Mad Hatter have the financial ability to provide service to the proposed territory?

24. Is Pasco County the utility best suited to serve the following areas:

Nixon Mobile Home Park (Parcel A-2);

Woodruff Mobile Home Park (Parcel A-3);

Holy Trinity Lutheran Church (Parcel A-4);

Como Club/Mossview (Parcel B-27);

Myrtle Lake Baptist Church (Parcel C-9);

Rusch Plaza (Parcel B-22);

Kniff Property (Parcel B-24);

Meadowview (Parcel B-26);

Highland Oaks (Parcel C-8);

Twin Lakes Subdivision (Parcel C-6A) and

Ash Property (Parcel B-25).

25. Have two of Mad Hatter's shareholders, Larry DeLucenay and his wife, Janice, obtained corporate assets from Mad Hatter without paying consideration to the corporation?

(a) Did Mr. and Mrs. DeLucenay personally sale percolation ponds owned by Mad Hatter to a developer in 1994 and in 1995 for \$195,000.00?

(b) Did Mr. and Mrs. DeLucenay, as they have claimed, loan the money back to the corporation? If so, are those

loans wrongful as the sale proceeds belonged to the corporation, not the DeLucenays?

(c) If the PSC permitted Mad Hatter to pass along to the customers the cost of abandonment of those percolation ponds, should Mad Hatter have notified the PSC of the sale to the percolation ponds so the Commission could make an adjustment in the rates charged by Mad Hatter?

26. Was Mad Hatter's demand that a developer, Sunfield Homes, Inc., sign an agreement in which Sunfield Homes would loan money to Mad Hatter to build the infrastructure but not requiring Mad Hatter to repay that amount to Sunfield Homes in compliance with this Commission's order prohibiting Mad Hatter from charging contributions in aid of construction (CIAC)?

27. Was Mad Hatter's refusal to guarantee service to Sunfield Homes despite its insistence that Sunfield Homes pay for the infrastructure in conformance with the Commission's order prohibiting Mad Hatter from charging CIAC and in accordance with all applicable law?

28. Did Mr. and Mrs. DeLucenay divert corporate assets to themselves personally by transferring money from the corporation to themselves without any credible explanation?

29. Has Mad Hatter refused to pass along the reduction in wastewater treatment rates to its customers despite the fact that the County has reduced the rates it charges?

30. Has Mad Hatter wrongfully refused to issue credits to customers who have paid impact fees despite its agreement with Pasco County to do so?

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy hereof has been served upon Director, Division of Records and Reporting, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0870, Roseanne Capeless, Florida Public Service Commission, 101 East Gaines Street, Tallahassee, FL 32399-0863, and F. Marshall Deterding, Rose Sundstrum & Bentley, 2548 Blairstone Pines Drive, Tallahassee, Florida 32301.

JOHNSON, BLAKELY, POPE,
BOKOR, RUPPEL & BURNS, P.A.

By: 

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