

ORIGINAL  
FILE COPY

MEMORANDUM

June 20, 1997

TO : DIVISION OF LEGAL SERVICES (CROSBY)  
 DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF WATER AND WASTEWATER (REDEMANN)

RE : DOCKET NO. 978119-WU; APPLICATION FOR AMENDMENT OF  
 CERTIFICATE NO. 347-W IN MARION COUNTY BY MARION  
 UTILITIES, INC.

*RR 10M JLV*

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Marion Utilities, Inc. (Marion or utility) provides water and wastewater service to approximately 4,311 water customers and 118 wastewater customers in Marion County, Florida. The utility's 1996 annual report shows an annual operating revenue of \$932,844 and a net operating income of \$80,004. The utility is a Class A utility company under FPSC jurisdiction.

On January 28, 1997 the utility applied for an amendment to Water Certificate No. 347-W in Marion County, Florida pursuant to Rule 25-30.036(3), Florida Administrative Code. The application is in compliance with the governing statute, Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for amendment of certificate. The application contains a check in the amount of \$100 which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The applicant has provided evidence, in the form of a warranty deed, that the utility owns the land upon which the utility's facilities are located as required by Rule 25-30.036(3)(d), Florida Administrative Code.

ACK \_\_\_\_\_  
 AFA \_\_\_\_\_  
 APP \_\_\_\_\_  
 CAF \_\_\_\_\_  
 CMU \_\_\_\_\_  
 CTR \_\_\_\_\_  
 EAG \_\_\_\_\_  
 LES \_\_\_\_\_  
 LPL \_\_\_\_\_  
 OTH \_\_\_\_\_

Adequate service territory and a territory description have been provided as prescribed by Rule 25-30.036(3)(e), and (i), Florida Administrative Code. A description of the territory requested by the utility is appended to this memorandum as Attachment A. The utility has submitted an affidavit consistent with Section 367.045(2)(d), Florida Statutes, that it has tariffs and annual reports on file with the Commission. In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. No objections to the application have been received and the time for such has expired. The local planning agency was provided notice of the application and did not file a protest to the amendment.

The utility states that the provision of service will be consistent with the utility section of the local comprehensive plan. Service will be provided by the utility at Greenfields/Indian

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DOCKET NO. 970119-WU  
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Pines .298 million gallons per day (mgd) water treatment plant. Current maximum peaks flows at the water treatment plant are around .176 mgd. The design capacity of the proposed extension is only 16,800 gallons per day. Thus the water treatment plant has adequate capacity to serve the area.

The utility employs four Class C Operators to operate and maintain their water plants and facilities. Staff has contacted the Department of Environmental Protection and learned that there are no outstanding notices of violation issued for this system. Marion has an annual return on its investment of approximately \$78,000. The utility plans to extend their water lines to serve this customer and believes this construction cost will be about \$19,000. This minimal investment should not impact the financial position of the utility. Consequently, staff believes the utility has demonstrated the financial and technical expertise to provide quality service to these customers. Staff recommends the rates and charges approved by the Commission be applied to customers in the new service territory. The utility has filed revised tariff sheets incorporating the additional territory into its tariff and returned its certificate for entry reflecting the additional territory.

Based on the above information, staff believes it is in the public interest to grant the application of Marion for amendment of Water Certificate No. 347-S. An administrative order should be issued within 30 days granting the amendment of territory.

If you have any questions, please contact me.

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cc: Division of Records and Reporting (Security File)

DOCKET NO. 970119-WU  
DATE: June 20, 1997

ATTACHMENT A

MARION UTILITIES, INC.

TERRITORY DESCRIPTION - MARION COUNTY

SERVED FROM THE GREENFIELDS/INDIAN PINES PLANT

Water Service to the Indian Pines Subdivision

Township 16 South, Range 21 East

In Section 25

The Southwest 1/4 of the Southeast 1/4

Letter to Mr. Thompson  
March 3, 1997

reference to another document is not sufficient. Each docket must be complete in and of itself. Please provide a brief summary of the financial ability of the utility.

5. As required by Rule 25-30.036(3)(p), Florida Administrative Code (F.A.C.), the utility must return their certificate for possible amendment. Please provide Certificate No. 347-W.

On Exhibit B of the application the stated capacity of the plant design is .298 mgd. Please provide the peak flows at the water treatment plant, so it can be determined if the water plant has the capacity to serve the extension.

Please file an original and five copies of the requested information no later than March 31, 1997 with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850.

If you have any questions please call.

Sincerely,



Richard Redemann, P.E.

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cc: Division of Water and Wastewater (Hill)  
Division of Legal Services (Crosby)  
Division of Records and Reporting (Bayo, Security File)

State of Florida

Commissioners:  
SUSAN F. CLARK, CHAIRMAN  
J. TERRY DEASON  
JULIA L. JOHNSON  
DIANE K. KIESLING  
JOE GARCIA



DIVISION OF RECORDS &  
REPORTING  
BLANCA S. BAYÓ  
DIRECTOR  
(904) 113-6770

**Public Service Commission**

January 29, 1997

Tim E. Thompson  
Marion Utilities, Inc.  
710 NE 30 Avenue  
Ocala, Florida 34470

RE: Docket No. 970119-WU

Dear Mr. Thompson:

This will acknowledge receipt of an application for amendment of Certificate No. 347-W to add territory (Indian Pines VI) in Marion County by Marion Utilities, Inc., which was filed in this office on January 28, 1997 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Division of Records and Reporting  
Florida Public Service Commission