

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment  
of Certificates Nos. 515-W and  
447-S to add territory in Marion  
County by Steeplechase Utility  
Company, Inc.

DOCKET NO. 970897-WS  
ORDER NO. PSC-97-1508-FOF-WS  
ISSUED: November 26, 1997

The following Commissioners participated in the disposition of  
this matter:

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

ORDER AMENDING CERTIFICATES TO INCLUDE  
ADDITIONAL TERRITORY AND CLOSING DOCKET

BY THE COMMISSION:

BACKGROUND

Steeplechase Utility Company, Inc. (Steeplechase or utility) provides water and wastewater service to approximately 342 water and 244 wastewater customers in Marion County. The utility's 1996 annual report shows an annual operating revenue of \$103,111 and a net operating loss of \$117,408. The utility is a Class C utility company under FPSC jurisdiction.

On July 17, 1997, Steeplechase filed an application for amendment of Certificate No. 515-W and 447-S to add territory in Marion County. The proposed territory will serve commercial, medical office buildings, an assisted living facility, a nursing home and single family dwellings.

In reviewing the application, we noticed that the 1996 Annual Report showed 100% utility ownership by Stonecrest of Marion County, Ltd., and that the utility was first organized in May, 1991. However, Steeplechase was granted its Certificates in April, 1989. Therefore, it appeared that a transfer may have occurred without prior Commission approval. We requested additional information which revealed the following: Steeplechase, the

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FPSC OFFICE REPORTING

utility, was owned by a company called Leisure Living for the Active Retiree Joint Venture (Joint Venture). In 1992, Joint Venture filed for bankruptcy and was reorganized as Stonecrest of Marion County, Ltd. The utility itself has been unaffected by the bankruptcy and reorganization of the parent corporation. Operations continued and the utility retained the name of Steeplechase. We believe that the change of the parent corporation as a result of the bankruptcy reorganization does not rise to the level of a transfer as contemplated in Chapter 367.071, Florida Statutes. Therefore, no further action is required on this point.

APPLICATION FOR AMENDMENT OF CERTIFICATES

The utility's amendment application is in compliance with Section 367.045, Florida Statutes and other pertinent statutes and provisions of the Florida Administrative Code. In particular, the application contains a check in the amount of \$2,000, which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The utility has provided copies of 99-year leases for the water treatment and wastewater treatment plant sites, which provide for the continued use of the land as required by Rule 25-30.036(3)(d), Florida Administrative Code.

Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.036(3)(e), (f) and (I), Florida Administrative Code. A description of the water and wastewater territory is appended to this Order as Attachment A. The territory description in Attachment A also includes the original area that was granted to the utility in Order No. 21063, issued April 18, 1989 in Docket No. 890145-WS (Original Certificate). 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 were filed and the time for filing objections has expired. The local planning agency was provided notice of the application and did not file a protest to the amendment. We have contacted the Department of Environmental Protection (DEP) and learned that there are no outstanding notices of violation regarding this utility.

The utility has been certificated by the Commission since 1989, and has been providing satisfactory service to its customers. According to the application, the utility has engaged the engineering firm of Farner, Barley & Associates, Inc. and the law firm of Rose, Sundstrom & Bentley, LLP, both of whom are experienced in the operation and regulation of water and wastewater utility systems. The systems are not under any consent order, nor subject to any notices of violation from any regulatory agencies.

As stated previously, the proposed territory will serve commercial, medical office buildings, an assisted living facility, a nursing home and single family dwellings. This area is owned by the related developer who has an approved development plan for the property. According to the application, the existing water treatment facility has sufficient capacity to serve the entire project including the proposed territory through build-out, with the only addition of an elevated storage tank required to provide sufficient fire flow capacity. The utility is planning to expand its existing wastewater treatment facilities twice in the future. The first expansion will boost the treatment capacity from .150 mgd to .300 with tertiary treatment and will provide for effluent disposal via golf course irrigation. The second expansion will be to .600 mgd with disposal to the golf course and common area.

Based on the above information and from the information with the application, we find that the utility has the capacity, financial ability and the technical expertise to serve these customers now and in the future. Accordingly, we find it is in the public interest to grant the application of Steeplechase for amendment of Water Certificate No. 515-W, and Wastewater Certificate No. 447-S to add the additional territory described in Attachment A. The utility has returned its certificates for entry of the additional territory and filed revised tariff sheets which reflect the amended territory description.

#### RATES AND CHARGES

Steeplechase's existing rates and charges were approved by the Commission pursuant to Order No. 21063, issued on August 18, 1989. The utility shall charge the customers in the territory added herein the rates and charges contained in its tariff until

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authorized to change by this Commission in a subsequent proceeding.

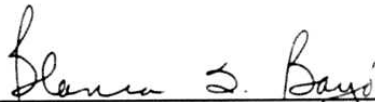
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Certificates Nos. 515-W and 447-S, held by Steeplechase Utility Company, Inc., are hereby amended to include the territory described in Attachment A of this Order, which by reference is incorporated herein. It is further

ORDERED that Steeplechase Utility Company, Inc. shall charge the customers in the territory added herein the rates and charges approved in its tariff until authorized to change by this Commission. It is further

ORDERED that Docket No. 970897-WS is hereby closed.

By ORDER of the Florida Public Service Commission this 26th day of November, 1997.

  
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BLANCA S. BAYÓ, Director  
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 and/or wastewater 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 Appellate 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

STEEPLECHASE UTILITY COMPANY, INC.

MARION COUNTY

WATER AND WASTEWATER SERVICE AREA

Includes the original territory in Order No. 21063

Township 17 South, Range 23 East

Section 25

The South 1,650.00 feet of the West 660.00 feet.

Section 26

The South 1683.00 feet of the East 412.50 feet.

Section 35

The East  $\frac{1}{2}$ , less that portion lying South and West of U.S. Highway 27 and 441.

Section 36

All of Section 36, less the East 880.00 feet of the North 1980.00 feet of the Northwest  $\frac{1}{4}$ , and less the East 264.00 feet of the North 594.00 feet of the Southeast  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$ , and less all of that portion lying South and West of U.S. Highway 27 and 441.

Township 17 South, Range 24 East

Section 31

The South  $\frac{3}{4}$  of the Southwest  $\frac{1}{4}$  and the West  $\frac{1}{4}$  of the Southwest  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$ .