

M E M O R A N D U M

May 31, 2000

TO : DIVISION OF LEGAL SERVICES (VAN LEUVEN)  
DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF WATER AND WASTEWATER (REDEMANN) *7/11/00 335 70*

RE : DOCKET NO. 000391-WS; APPLICATION BY UNITED WATER FLORIDA  
INC FOR EXTENSION OF SERVICE AREA IN NASSAU COUNTY,  
FLORIDA.

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United Water Florida, Inc. (United Water Florida, United Water, or utility) is a Class "A" utility which provides water and wastewater service in Duval, Nassau, and St. Johns Counties. United Water Florida, was formed as a Florida corporation on June 5, 1937, and has local offices in Jacksonville, Duval County, Florida. United Water Florida is a wholly owned subsidiary of United Waterworks, Inc. which is a Delaware corporation, formed on June 1, 1970, with its principal office located in New Jersey. In 1999, United Water Florida had annual operating revenues of \$29,808,888 and a net operating income of \$5,255,868 for its water and wastewater systems. The Commission has previously found that United Water Florida's facilities are functionally related and comprise a single utility system whose service transverses county boundaries. See Orders Nos. 24335, PSC-97-0929-FOF-WS, and PSC-97-0618-FOF-WS, issued April 8, 1991, August 8, 1997, and May 30, 1997, respectively.

The limits of this filing are confined to Nassau County. United Water's customers are served by the Yulee Regional Water Treatment Grid and the Nassau Regional Wastewater Treatment Facility. Currently 222 water customers and 202 wastewater customers are being served. This amendment at build out will serve about 388 Equivalent Residential Connections (ERCS) for water and 294 ERCS for wastewater.

On March 31, 2000 the utility applied for an amendment to Water Certificate No. 236-W and Wastewater Certificate No. 179-S in Nassau 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 \$1000 which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The applicant has provided evidence in the form of special warranty

DOCUMENT NUMBER-DATE

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deeds 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.

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 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 Department of Community Affairs states that the Oyster Bay development is designed for Low-Density Residential on the Future Land Use Map of the Nassau County Comprehensive Plan. The surrounding wetlands are designated Wetlands (Conservation) on the Future Land Use Map. United Water proposes to serve no more development than has already been authorized by the County for the Oyster Bay Development. Therefore, the Department of Community Affairs has no objection to the proposed extension of water and wastewater service to the Oyster Bay development. As stated earlier, this amendment at build out will serve about 388 ERCS for water and 294 ERCS for wastewater.

The source of the water for this water system is the Florida Aquifer. The Yulee Regional Water Treatment Grid consists of three wells. Water treatment consists of a packed tower aeration for H<sub>2</sub>S removal, detention and chlorination. After treatment the water is pumped into the distribution system with high service pumps. The water system can supply a maximum of 1,600,000 gallons per day (gpd). Current average yearly flows for 1999 were about 394,000 gpd. This development will use about 135,800 gpd (388 ERCS x 350 gpd/ERCS = 135,800). The utility has an ample supply of water to serve this development. The utility intends to extend a 12 inch water main down Barnwell Road to serve the development. The internal water lines in the development are 8, 4, and 2 inch. The Department of Environmental Regulation has no outstanding notices of violation issued for this system.

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According to the utility, the Nassau Regional Wastewater facility can treat .247 mgd (million gallons per day). Existing flows are .107 mgd. The treated effluent flows to a percolation pond. This development will return about 82,320 gpd (294 ERCS x 280 gpd/resident = 82,320). The utility has an ample capacity to serve this development. The utility intends to extend a 10 inch and 8 inch force main down Barnwell Road to serve the development. The internal lines in the development are 8 inch, and a lift station will pump the wastewater to force main collection system which will transmit the wastewater to the Nassau Regional Wastewater facility. The Department of Environmental Protection has an outstanding consent order to correct a nitrogen problem in the finished effluent. United Water is in the process of making improvements to its Nassau Regional Wastewater Treatment Plant. The improvements should be completed within 60 days of the issuance of the permit.

The utility has filed revised tariff sheets incorporating the additional territory into its tariff. United Water's approved rates were effective pursuant to Order No. PSC-99-0513-FOF-WS, issued March 12, 1999 in Docket No. 980214-WS, a rate case and modified by a stipulation pursuant to Order No. PSC-99-1070-FOF-WS, issued May 25, 1999 in Docket No. 980214-WS. The current rates and charges contained in the utility's tariff on file with the Commission should be applied to service in the additional territory.

Based on the above information, staff believes it is in the public interest to grant the application of United Water Florida Inc. for amendment of Water Certificate No. 236-W and Wastewater Certificate No. 179-S. An administrative order should be issued granting the application, within 30 days.

If you have any questions, please contact me immediately.

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cc: Division of Records and Reporting (Security File)

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ATTACHMENT A

UNITED WATER FLORIDA INC.  
WATER AND WASTEWATER ADDITIONAL SERVICE AREA

NASSAU COUNTY

Service from the Yulee Regional Water Treatment Grid and the  
Nassau Regional Wastewater Treatment Facility

TOWNSHIP 3 NORTH, RANGE 28 EAST, NASSAU COUNTY:

All of Section 46, less and except that portion of land lying south of a line that intersects where the east sides of Sections 38 and 62 meet and where the west sides of Sections 61 and 63 meet.

All of Section 57 lying south of Lanceford Creek.

All of Section 61.

All of Section 62 lying south of Lanceford Creek.