

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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RECORDS AND  
REPORTING

In re: Application for amendment  
of Certificate No. 106-W to add  
territory in Lake County by  
Florida Water Services  
Corporation.

DOCKET NO. 991666-WU  
FILED: FEBRUARY 9, 2001

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-00-0623-PCO-WU, issued April 3, 2000, Order No. PSC-00-1405-PCO-WU, issued August 1, 2000, and Order No. PSC-00-2096-PCO-WU, issued November 6, 2000, the Commission Staff (Staff) files its prehearing statement as follows:

A. All Known Witnesses

Staff intends to call the following witness:

Charles R. Gauthier of the Florida Department of Community Affairs. He will testify on the need for service in the requested territory and whether the proposed service is consistent with the local comprehensive plan.

B. All Known Exhibits

Staff intends to sponsor the following exhibits:

Charles Gauthier	CRG-1	Gauthier's Resume
	CRG-2	DCA Letter

Staff reserves the right to use other exhibits for the purpose of cross-examination.

C. Staff's Statement of Basic Position

The information gathered through discovery and prefiled testimony indicates, at this point, that there is a need for service in the area requested by Florida Water Service Corporation in its application. However, staff does not have a position pending further development of the record on

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CAF \_\_\_\_\_  
CMP \_\_\_\_\_  
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SEC 1 \_\_\_\_\_  
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OTH \_\_\_\_\_

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whether Florida Water Service Corporation's application for amendment of Certificate No. 106-W to add territory in Lake County should be granted.

D. Issues & Staff's Respective Positions

Staff's positions are preliminary and based on materials filed by the parties and on discovery. These preliminary positions are offered to apprise the parties of those positions. Staff's final positions will be based upon an analysis of the evidence presented at the hearing.

**ISSUE 1:** Is there a need for service in the territory proposed by Florida Water Services Corporation's application, and if so, when will service be required?

**STAFF POSITION:** Yes, there is a need for service. No position pending further development of the record on the time when service will be required. (Gauthier)

**ISSUE 2:** Does Florida Water Services Corporation have the financial ability to serve the requested territory?

**STAFF POSITION:** Yes. Florida Water Services Corporation has the financial ability to serve the requested territory.

**ISSUE 3:** Does Florida Water Services Corporation have the technical ability to serve the requested territory?

**STAFF POSITION:** Yes. Florida Water Services Corporation has the technical ability to serve the requested territory.

**ISSUE 4:** Does Florida Water Services Corporation have the plant capacity to serve the requested territory?

**STAFF POSITION:** Yes. Florida Water Service Corporation has the plant capacity to serve the requested territory.

**ISSUE 5:** Is Florida Water Services Corporation's application consistent with the local comprehensive plan?

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**STAFF POSITION:** Yes. Florida Water Service Corporation's application is consistent with the local comprehensive plan. (Gauthier)

**ISSUE 6:** Does the City of Groveland have the financial ability to serve the requested territory?

**STAFF POSITION:** Yes, based on the September 30, 1999 Annual Financial Statement. The City of Groveland has the financial ability to serve the requested territory.

**ISSUE 7:** Does the City of Groveland have the technical ability to serve the requested territory?

**STAFF POSITION:** The City of Groveland is in compliance with the rules of the Department of Environmental Protection, and the St. Johns River Water Management District. However, the City's technical ability is limited at this time by the lack of lines built to serve the area.

**ISSUE 8:** Is the City of Groveland's proposal to serve the area consistent with the local comprehensive plan?

**STAFF POSITION:** No. The area at issue is not specifically identified in the City's Comprehensive Plan as a potential service area. (Gauthier)

**ISSUE 9:** What is the landowner's service preference and what weight should the Commission give to the preference?

**STAFF POSITION:** The Commission should consider case law in determining how much weight to give to the landowner's service preference. Pursuant to Storey v. Mayo, 217 So. 2d 304, 307-8 (Fla. 1968), the Supreme Court held, "An individual has no organic, economic or political right to service by a particular utility merely because he deems it advantageous to himself."

**ISSUE 10:** Will the extension of Florida Water Services Corporation's territory in Lake County duplicate or compete with the City of Groveland's utility system?

**STAFF POSITION:** No. Based on the information received to date, it does not appear that the extension of Florida Water Services

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Corporation's territory in Lake County duplicates or competes with the City of Groveland's utility system.

**ISSUE 11A:** If the granting of the territory which Florida Water Services Corporation seeks to add to its PSC Certificate would result in an extension of a system which would be in competition with, or a duplication of the City of Groveland's system or portion of its system, is the City of Groveland's system inadequate to meet the reasonable needs of the public or is the City unable, refusing or neglecting to provide reasonably adequate service to the proposed territory?

**STAFF POSITION:** No position pending further development of the record.

**ISSUE 11B:** Does the Commission have the statutory authority to grant an extension of service territory to Florida Water Service Corporation which will be in competition with, or a duplication of, the City of Groveland's system(s), unless factual findings are made that the City's system(s) or portion thereof is inadequate to meet the reasonable needs of the public or that the City is unable, refuses, or has neglected to provide reasonably adequate service to the proposed service territory?

**STAFF POSITION:** No. Section 367.045(5)(a), Florida Statutes, states that

[t]he commission may not grant a certificate of authorization for a proposed system, or an amendment to a certificate of authorization for the extension of an existing system, which will be in competition with, or a duplication of, any other system or portion of a system, unless it first determines that such other system or portion thereof is inadequate to meet the reasonable needs of the public or that the person operating the system is unable, refuses, or neglects to provide reasonably adequate service.

**ISSUE 12:** Is it in the public interest for Florida Water Services Corporation to be granted an amendment to Water Certificate No. 106-W for the territory proposed in its application?

**STAFF POSITION:** No position pending further development of the record. Public interest considerations may include, but are not

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limited to, the services provided to customers, the rates and charges to customers and planning and policy considerations.

E. Stipulated Issues

There are no issues that have been stipulated at this time.

F. Pending Matters

There are no matters pending at this time.

G. Pending Confidentiality Claims or Requests

There are no matters pending at this time.

H. Requirements That Cannot Be Complied With

Staff is not aware of any requirements of Order Nos. PSC-00-0623-PCO-WU, PSC-00-1405-PCO-WU, and PSC-00-2096-PCO-WU that cannot be complied with at this time.



Patty A. Christensen, Senior Attorney

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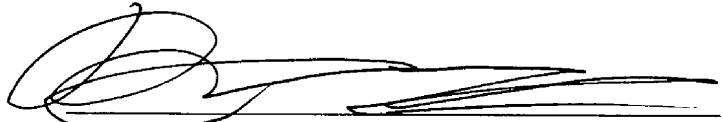
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the **COMMISSION STAFF'S PREHEARING STATEMENT** has been furnished to J. Stephen Menton, Esquire, Rutledge, Ecenia, Purnell & Hoffman, P.A., P. O. Box 551, Tallahassee, Florida 32302; and Suzanne Brownless, Esquire, 1311-B Paul Russell Road, Suite 201, Tallahassee, Florida 32301, by U.S. Mail and facsimile, this 9th day of February, 2001.



Patty A. Christensen, Senior Attorney

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