



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

**DATE:** February 5, 2003  
**TO:** Alice Crosby, Office of the General Counsel  
**FROM:** Thomas Walden, Division of Economic Regulation *Tom Walden*  
**RE:** Docket No. 021036-WS; Application for amendment of Certificates Nos. 618-W and 532-S to extend water and wastewater service in Sumter County by North Sumter Utility Company, L.L.C. *JDJ*

North Sumter Utility Company (North Sumter) is a utility company serving no customers yet in Sumter County. Construction of utility facilities has begun, and it is anticipated that customers will be on line during the fourth quarter of 2003. The utility was granted Certificates Nos. 618-W and 532-S in Docket No. 010859-WS, per Order No. PSC-02-0554-PAA-WS, issued April 23, 2002. The utility is requesting approximately 4.5 square miles of land be added to its certificates in this application. The territory granted to the company in the original certificate application is about 8 square miles.

North Sumter filed this application on October 10, 2002, pursuant to Section 367.045 (2), Florida Statutes, and Rule 25-30.036, Florida Administrative Code. The application is in compliance with the governing statute and other pertinent statutes and rules concerning amendment of certificates. The application included a check in the amount of \$4500, which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The utility has furnished evidence in the form of deeds that confirms the utility's ownership and continued use of the land for the two water plants: one well site; the wastewater plant site; and, rapid infiltration basin site, as required by Rule 25-30.036(3)(d), Florida Administrative Code.

A map of the territory to be served and a territory description as required by Rule 25-30.036(3)(e), and (f), have been provided. A description of the territory is appended as Attachment A. The territory requested will serve residential and commercial customers in the development known as The Villages.

North Sumter submitted an affidavit consistent with Rule 25-30.036(3)(r), stating that it has a tariff on file with the Commission. No annual report has been filed because the company just received its PSC certificates in 2002. The annual report is due in March, 2003. The application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. No objection was received and the time for such has expired. The City of Wildwood did provide a letter stating it had no objection to the application and pointed out a scrivener's error in the territory description. The error has been corrected.

The territory requested will enlarge the utility's service area, allowing expansion to the east toward Lake County (approximately 2000 acres), and also includes an area on the western boundary

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of the current territory near Lake Miona (approximately 190 acres). Water and wastewater lines have been designed to serve the new areas. The water and wastewater plants now under construction will provide service to the requested territory. Construction of the distribution and collection systems will be financed by debt financing, service availability charges, and if necessary, loans from The Villages of Lake-Sumter, Inc., the utility's affiliate and developer.

Comments concerning this application from the Department of Community Affairs (DCA) state that the eastern site is within the approved portion of The Villages Development of Regional Impact (DRI). According to the DCA, the western site is partially within the DRI and partially on land designated Agricultural. At the time of DCA's input to the Commission, The Villages was preparing a notice of proposed change, to request the addition of this land to The Villages' DRI. A comprehensive plan amendment by Sumter County would then follow to include this site. The DCA suggested that the Commission may want to wait to process the certificate amendment in this docket until the comprehensive plan application is finalized.

The Villages responded to the Commission staff after reviewing DCA's input, stating that a Notice of Proposed Change, and a Comprehensive Plan Amendment had been filed with Sumter County, the DCA, and the Withlacoochee Regional Planning Council (RPC) on November 26, 2002. The Villages also stated that there is nothing in the Sumter County Comprehensive Plan that precludes utility extension into the western area, and suggests the certificate amendment application in this docket and the land use amendment application submitted to the county, the DCA, and the Withlacoochee RPC be processed concurrently. If not handled concurrently, there will be significant delays waiting for the normal time frames for review to occur.

Staff is persuaded by The Villages' suggestions that the applications be handled concurrently. There were no protests to the notice of amendment of certificate by the City of Wildwood or Sumter County. There are no other utilities in the vicinity of the proposed service area. The months of delay that would be experienced by waiting for the land use amendments to be completed would affect the construction and finance plans of the developer.

North Sumter has the financial and technical ability to provide service. Financial statements of its affiliate, The Villages of Lake-Sumter, Inc., were included with the filing, as they were with the original certificate application. The utility has an operations agreement with a management company for operation and maintenance of the utility's facilities and equipment. There are no notices of violation or consent orders from the Department of Environmental Regulation. No material impact is expected upon monthly rates or service availability fees. The utility is aware that no changes can be made to these charges without prior approval of the Commission.

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Based upon the above information, staff believes it is in the public interest to grant the application of North Sumter Utility Company, L. L. C. for amendment of Certificates Nos. 618-W and 532-S. An administrative order should be issued granting the application. Pursuant to APM 2.07 (c)(11), applications for amendment may be granted administratively when they are filed and processed in accordance with Chapter 367, Florida Statutes, and no protests have been filed. This application meets the criteria specified in the APM.

TJW

cc: Division of Commission Clerk and Administrative Services

file name: 021036rcm.tjw

ATTACHMENT A

North Sumter Utility Company

Water and Wastewater Service

Sumter County

In Township 18 South, Range 23 East, and, Township 19 South Range 23 East, Sumter County:

Those portions of Sections 24, 25, 26, 35, and 36 of Township 18 South, Range 23 East, and those portions of Sections 1 and 2 of Township 19 South, Range 23 East, described as follows:

Begin at the Northeast corner of said Section 1, run thence south along the east line thereof to the north right-of-way line of County Road 466-A (formerly State Road 466-A); thence westerly along said right-of-way to the east line of the East 3/4 of the SE 1/4 of the NE 1/4 of said Section 2; thence north to the northeast corner of the said East 3/4 of the SE 1/4 of the NE 1/4; thence west to the northwest corner thereof; thence south along the west line thereof to the said north right-of-way; thence west to the north-south midsection line of said Section 2; thence north to the south 1/4 section corner of said Section 35; thence north along the midsection lines of Sections 35 and 26 to the north 1/4 section corner of said Section 26; thence east along the north line of Section 26 to the southwest corner of said Section 24; thence east along the south line thereof to the southwest corner of the E 1/2 of the SE 1/4 of the SW 1/4; thence north along the west line thereof, 941.57 feet to the south line of a dirt road; thence northeast along said road the following five courses: N 74°18'03" E, 217.73 feet; thence N 74°41'34" E, 68.15 feet; thence N 72°09'04" E, 181.74 feet; thence N 69°47'34" E, 133.55 feet; thence N 67°32'39" E, 96.46 feet to the west line of the SW 1/4 of the SE 1/4 of said Section 24; thence north to the northwest corner of the SW 1/4 of the SE 1/4; thence east to the northeast corner thereof; thence south to the northwest corner of the South 3/4 of the SE 1/4 of the SE 1/4 of said Section 24; thence south along the east lines of aforesaid Sections 24, 25, and 36 of Township 18 South, Range 23 East, to the point of beginning.

LESS the following described parcel: the South 296.00 feet of the East 296.00 feet of the SW 1/4 of the SE 1/4 of said Section 24;

LESS the North 540 feet of the East 965 feet of the SE 1/4 of said Section 25;

LESS the N 1/2 of the SE 1/4 of the NE 1/4 of said Section 36;

LESS the following described tract of land: Begin 16.95 feet south of the Northeast corner of said Section 36; thence run S 89°35'30" W, 1464 feet; thence S 00°52'00" W, 643.25 feet; thence S 00°54'40" E, 665.55 feet to the south line of the N 1/2 of the NE 1/4; thence east along said south line to the east line of said Section 36; thence north along said east line to the point of beginning.

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ADDITIONAL AREA TO BE INCLUDED:

The NE 1/4 of the NE 1/4 of Section 20, Township 18 South, Range 23 East, Sumter County;

The North 1/2 of Section 21, Township 18 South, Range 23 East, Sumter County;

LESS the East 1/8 of the SE 1/4 of the NW 1/4 of said Section 21;

LESS the West 1/2 of the SW 1/4 of the NW 1/4 of said Section 21.