



Public Service Commission

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DATE: September 5, 2003
TO: Alice Crosby, Office of the General Counsel
FROM: Thomas Walden, Division of Economic Regulation
RE: Docket No. 030128-WU; Application for amendment of Certificate No. 363-W to add territory in Marion County by Sunshine Utilities of Central Florida, Inc.

This case involves a water only application for amendment of certificate in Marion County. Sunshine Utilities (Sunshine) has been providing service in Marion County for more than 24 years, owning and operating more than twenty water systems.

The area involved in this application contains about 300 acres. The territory to be added is adjacent to an area called Hilltop, and water service is needed for development in the proposed service area. Sunshine has been serving customers in Hilltop since 1985. There are some existing mobile homes in the area applied for. The utility's existing water treatment plant will be upgraded to comply with DEP requirements. The Department of Community Affairs has reviewed the application for amendment of territory and finds that service to the area requested is consistent with the Marion County comprehensive plan.

Staff recommends approval of the utility's application. An administrative order should be issued granting the application. The Commission has jurisdiction pursuant to Section 367.045, Florida Statutes. 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.

DISCUSSION

Sunshine filed this application on February 5, 2003, pursuant to Section 367.045(2), Florida Statutes, and Rule 25-30.036, Florida Administrative Code. The application is in compliance with the governing statutes and other pertinent statutes and rules concerning amendment of certificates. The application includes a check in the amount of \$500, which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The utility has furnished evidence in the form of a deed that confirms the utility's ownership of the land for the water plant, 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 to this recommendation as Attachment A. The territory requested will serve primarily residential customers, but also at least five general service customers.

The utility has a signed developer agreement for the property involved in this application. The development is expected to include 188 residential connections and five commercial lots. The

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developer will pay for all necessary permits to expand the water plant and distribution system to serve the 193 connections anticipated in Lake Weir Heights, and pay all costs for the construction of the needed improvements to the plant and distribution system, in lieu of the utility collecting its approved system capacity charge.

Sunshine submitted an affidavit consistent with Rule 25-30.036(3)(r), stating that the utility has a tariff and annual reports on file with the Commission. The company's 2002 annual report was filed April 17, 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.

Monthly rates for service will be the same rates charged to customers in the Hilltop service area. Sunshine provided a copy of its most current tax return demonstrating the utility's financial ability to provide service. The utility employs four service technicians to maintain the water systems owned by the company. There are no pending notices of violation or consent orders from the DEP involving this water system.

Staff believes it is the public interest to grant the amendment. Staff therefore recommends that the Commission grant the application and amend Sunshine Utilities of Central Florida's Certificate No. 363-W to include the territory shown on Attachment A. Sunshine should charge the customers in the territory added herein, the rates and charges contained in its tariff until authorized to change by the Commission in a subsequent proceeding.

TJW

cc: Division of Commission Clerk and Administrative Services

file name: I:\ 030128rec.tjw

SUNSHINE UTILITIES OF CENTRAL FLORIDA, INC.

HILLTOP SERVICE AREA – MARION COUNTY

In Section 2, Township 17 South, Range 23 East, Marion County:

the Southwest 1/4;

the West 1/2 of the Northwest 1/4;

the Southeast 1/4 of the Northwest 1/4;

the South 1/2 of the Northeast 1/4 of the Northwest 1/4.