



Public Service Commission

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COMMISSION CLERK

DATE: JANUARY 8, 2003

TO: DIRECTOR, DIVISION OF THE COMMISSION ADMINISTRATIVE SERVICES (BAYÓ) CLERK

FROM: OFFICE OF THE GENERAL COUNSEL (BRUBAKER, JSA, MAM) DIVISION OF ECONOMIC REGULATION (KYLE, MERCHANT, WILLIS) JOY

RE: DOCKET NO. 020650-WU - APPLICATION FOR PARTIAL TRANSFER OF FACILITIES IN MARION COUNTY FROM MARION UTILITIES, INC. TO SILVER SPRINGS REGIONAL WATER AND SEWER, INC., A NON-PROFIT CORPORATION, AND FOR AMENDMENT OF CERTIFICATE NO. 347-W.

AGENDA: 01/20/04 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\GCL\WP\020650.RCM

CASE BACKGROUND

Marion Utilities, Inc. (Marion or utility) is a Class A utility which provides service in Marion County to approximately 4,724 water and 118 wastewater customers. The utility is located primarily in the St. Johns River Water Management District, all of which is considered a water use caution area. The utility's 2002 annual report shows a combined water and wastewater annual operating revenue of \$1,154,173 and a net operating income (loss) of (\$11,807).

The Commission assumed jurisdiction over the privately-owned utilities in Marion County on May 5, 1981. In Order No. 10566, issued February 3, 1982, in Docket No. 820018-W, the utility was granted Certificate No. 347-W. Over the years, there have been

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twenty-seven additional territory amendments to the utility's certificate.

Pursuant to Section 367.071, Florida Statutes, on July 5, 2002, the utility applied for a partial transfer of facilities to Silver Springs Regional Water and Sewer, Inc. (Silver Springs), a non-profit corporation, and for an amendment to Water Certificate No. 347-W to delete the service area. The service area, known as Quadvillas Estates/Sugar Hills Quadvillas (QV/SHQ), is a residential area that has 217 customers. As a result of a May 31, 2002, contract for sale of this system for \$260,000 to Silver Springs, the utility has dismantled the treatment facility that provided potable water to this area and interconnected the distribution system to Silver Springs' potable water system.

By Order No. PSC-03-0337-PAA-WU, issued March 10, 2003, the Commission approved the transfer of a portion of Marion's facilities to Silver Springs and amended Certificate No. 347-W to reflect the resulting deletion of territory. The Commission also declined, by proposed agency action, to open an investigation to evaluate the gain on sale from the sale of Marion's system.

On March 31, 2003, the Office of Public Counsel (OPC) timely filed a protest to Order No. PSC-03-0337-PAA-WU. However, on December 8, 2003, OPC filed a notice of voluntary dismissal and withdrawal of its protest. The Commission has jurisdiction pursuant to Section 367.071, Florida Statutes.

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ISSUE 1: Should the Commission acknowledge the Voluntary Dismissal and Withdrawal of Protest of Proposed Agency Action filed by OPC, and make Order No. PSC-03-0337-PAA-WU final and effective?

RECOMMENDATION: Yes. The Commission should acknowledge the Voluntary Dismissal and Withdrawal of Protest of Proposed Agency Action filed by OPC, and make Order No. PSC-03-0337-PAA-WU final and effective. (BRUBAKER, KYLE)

STAFF ANALYSIS: As stated in the case background, on March 31, 2003, OPC timely filed a Protest of Proposed Agency Action. OPC was the only entity to protest Order No. PSC-03-0337-PAA-WU. On December 8, 2003, OPC filed notice of its voluntary dismissal and withdrawal of its protest.

Order No. PSC-01-1297-PAA-WS was issued March 10, 2003. The protest period of that order expired March 31, 2003. There were no other protests of that order other than OPC's, and OPC has now withdrawn its protest. As such, Order No. PSC-03-0337-PAA-WU should now become final and effective.

The finalization and effectiveness of Order No. PSC-03-0337-PAA-WU would result in finality to the proposed agency action regarding Marion. As such, acknowledgment of the Notice of Voluntary Dismissal and Withdrawal of Protest is appropriate.

Staff recommends that the Commission acknowledge the Withdrawal of Protest filed by OPC, and make Order No. PSC-03-0337-PAA-WU final and effective.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. Nothing further remains to be done in this docket, and it should be closed. (BRUBAKER, KYLE)

STAFF ANALYSIS: Nothing further remains to be done in this docket, and it should be closed.