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MEMORANDUM

MARCH 30, 2004

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COMMISSION CLERK

TO:

DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE

SERVICES

FROM:

OFFICE OF THE GENERAL COUNSEL (RODAN) JAC

RE:

DOCKET NO. 021256-WU - APPLICATION FOR CERTIFICATE TO

PROVIDE WATER SERVICE IN VOLUSIA AND BREVARD COUNTIES BY

FARMTON WATER RESOURCES, LLC.

Attached is the REVISED DIRECT TESTIMONY OF VALERIE JAMES on behalf of Commission Staff to be filed in the above-referenced docket.

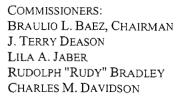
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STATE OF FLORIDA





OFFICE OF THE GENERAL COUNSEL RICHARD D. MELSON GENERAL COUNSEL (850) 413-6199

Hublic Service Commission

March 30, 2004

Ms. Blanca Bayo, Director Division of Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399

Re: Docket No. 021256-WU – Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources, LLC

Dear Ms. Bayo:

Please be advised that page 3, line 17, of the testimony of Commission witness Valerie James has been revised. The attached page 3 replaces the original page 3 of the testimony that was filed in this docket on March 11, 2004.

Sincerely,

Jennifer A. Rodan

Innie A. Podn

Attorney

All Parties of Record

cc:

DOCUMENT MITTER DATE

Yes. Portions of the proposed utility service area in Volusia County are designated Α. Forestry Resource, Agricultural Resource, and Environmental Systems Corridor land use categories, while the remaining portions in Brevard County are designated Agriculture. The utility services are proposed in an area that is completely rural; some of these areas contain natural resources that are environmentally sensitive and are intended to be protected. Therefore, extension of services into this area would encourage urbanization of rural, agriculture, and environmentally sensitive areas and may result in urban sprawl development patterns. Both Volusia and Brevard Counties have identified several goals, objectives, and policies in their Future Land Use Element (FLUE) plans which the proposed utility service application is inconsistent with, in addition to other objections. For example, FLUE Objective 1.1.3 requires Volusia County to limit urban sprawl by directing urban growth to those areas where public facilities and services are available inside designated service areas. Brevard County FLUE Objective 4 recognizes the importance of agricultural land to the community as the industry benefits the economy, reduces the extent of the urban sprawl, and the costs of providing public facilities and service, provides environmental benefits, and provides open space and visual beauty. The application area is outside the County's designated service area. Volusia County Potable Water Sub-Element Policies 7.1.1.7 and 7.1.1.11, and Brevard County FLUE Policy 4.1 prohibit the extension of water lines, or establishment of central systems of potable water outside of the water service areas. In addition, the Cities of New Smyrna Beach and Titusville have also raised objections to the proposed utility service application. The City of New Smyrna Beach has concerns over the potential impacts to existing and projected demands of potable water wells. The City of Titusville believes that the utility's application conflicts with the Comprehensive Plans for both Volusia and Brevard Counties in the areas of establishment of central water systems outside the water service areas, and unapproved water

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wells and treatment plant sites.

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for certificate to provide | DOCKET NO. 021256-WU water service in Volusia and Brevard Counties by Farmton Water Resources, LLC.

DATED: MARCH 30, 2004

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the REVISED DIRECT TESTIMONY OF VALERIE JAMES on behalf of The Florida Public Service Commission has been furnished to the following, this 30th day of March, 2004:

Rose Law Firm Marshall Deterding, Esquire John Wharton, Esquire 2548 Blairstone Pines Way Tallahassee, FL 32301

St. Johns River Water Mgt. District Mary Ellen Jones, Esquire P. O. Box 1429 Palatka, FL 32178

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Charles Gauthier, AICP Dept. of Community Affairs 2555 Shumard Oak Blvd. Tallahassee, FL 32399

Brevard County Scott Knox 2725 Judge Fran Jamieson Way Viera, FL 32940

Rich Burklew, P. G. St. Johns River Water Mgt. District 525 Community College Parkway, S. E. Palm Bay, FL 32907

Farmton Management, LLC 410 North Michigan Avenue Room 590 Chicago, IL 60011

City of Titusville 555 South Washington Avenue Titusville, FL 32796-3584

Volusia County William Bosch 123 W. Indiana Avenue DeLand, FL 32720-4613

FLORIDA PUBLIC SERVICE COMMISSION

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