BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for amendment of CertificateDOCKET NO. 040534-SUNo. 492-S to delete territory in FranklinORDER NO. PSC-04-1243-FOF-SUCounty by SGI Utility, LLC.ISSUED: December 16, 2004

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman J. TERRY DEASON RUDOLPH "RUDY" BRADLEY CHARLES M. DAVIDSON

ORDER APPROVING APPLICATION TO DELETE TERRITORY AND CANCEL CERTIFICATE NO. 492-S

BY THE COMMISSION:

SGI Utility, LLC (SGI or utility) is a Class C utility on St. George Island. The utility (formerly known as Resort Village Utility, Inc.) was granted Certificate No. 492-S in Order No. PSC-94-1524-FOF-SU, issued on December 12, 1984.¹ By Order No. PSC-02-0658-PAA-SU, issued on May 14, 2002, the utility was transferred to SGI Utility, Inc.² Water service is provided by Water Management Services, Inc.

On June 10, 2004 the utility applied for an amendment to Wastewater Certificate No. 492-S to delete its entire service territory in Franklin County, Florida, pursuant to Rule 25-30.036(4), Florida Administrative Code, and cancel Certificate No. 492-S. We have jurisdiction pursuant to Section 367.045, Florida Statutes.

The application is in compliance with the governing statute, Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for amendment of certificate. The application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. No objections to the application have been received and the time for filing such has expired. The local planning agency was provided notice of the application and did not file a protest to the amendment. The Department of Community Affairs has identified no growth management concerns with the removal of the wastewater system.

The utility is part of a project on St. George Island commonly known as Resort Village. The utility originally applied for a PSC certificate because it intended to serve a hotel,

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¹ Docket No. 93111-SU, <u>In Re: Application for Certificate to Operate Wastewater Utility in Franklin County by</u> <u>Resort Village Utility, Inc.</u>

² Docket No. 991812-SU, <u>In Re: Application for Transfer of Certificate No. 492-S in Franklin County from Resort</u> Village Utility, Inc. to SGI Utility, LLC.

ORDER NO. PSC-04-1243-FOF-SU DOCKET NO. 040534-SU PAGE 2

convention center, restaurant, and various recreational and supporting facilities. Since receiving a PSC certificate, the development plan for Resort Village has been changed to condominium units and single family residences.

The utility stated that it is not operational and has no customers. Currently, service is provided to an affiliated hotel in the service area through an aerobic treatment system. There is no specific charge for wastewater service. Therefore, it is exempt from Commission regulation. According to the revised development plan, the hotel is to be converted to condominium units.

A wastewater treatment plant was constructed in 2002, but was never placed into service. The utility intends to remove the wastewater treatment plant and allow the property owners to install individual, privately-owned aerobic treatment systems which would be exempt from Commission regulation. Wastewater service to the condominiums would be exempt pursuant to Section 367.022(7), Florida Statutes, which provides that nonprofit corporations, associations or cooperatives providing service solely to members who own and control such nonprofit corporations, associations or cooperatives are exempt from Commission regulation. The Department of Environmental Protection does not oppose removing the wastewater treatment plant.

The utility filed its Annual Reports for 2003 and prior years, in accordance with Rule 25-30.110, Florida Administrative Code. No Annual Report is needed for 2004. Further, no penalties are outstanding for delinquent reports. The utility has paid its Regulatory Assessment Fees for 2004 and prior years, in accordance with Rule 25-30.120, Florida Administrative Code, and no penalties or interest are outstanding for delinquent payments.

Based on the above information, we approve SGI Utility, LLC's application to delete its entire service territory and cancel Certificate No. 492-S effective on the date of the Commission vote, November 30, 2004.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that SGI Utility, LLC's amendment application to delete its entire service area is approved. It is further

ORDERED that Certificate No. 492-S is cancelled effective on the date of the Commission vote, November 30, 2004. It is further

ORDERED that this docket shall be closed.

ORDER NO. PSC-04-1243-FOF-SU DOCKET NO. 040534-SU PAGE 3

By ORDER of the Florida Public Service Commission this 16th day of December, 2004.

BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

By:

Kay Jugar Kay Flynn, Chief

Bureau of Records

(SEAL)

JAR

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.