

Section 1 - Bureau of Records and Hearing Services Completes

Docket No. 021256-WU Date Docketed: 12/20/2002 Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources, LLC. Company: Farmton Water Resources, LLC

Official Filing Date: Last Day to Suspend: Expiration:

Referred to: AUS CAF CCA CMP (ECR) EXT GCL MMS PIF ("() indicates OPR) X X

Section 2 - OPR Completes and returns to CCA in 10 workdays.

Time Schedule

Program/Module B1(a)

Staff Assignments

WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT. IT IS TENTATIVE AND SUBJECT TO REVISION. FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770 Current CASR revision level

Due Dates

OPR Staff

Staff Counsel

OCRs ()

()

()

()

()

()

Recommended assignments for hearing and/or deciding this case:

Full Commission Commission Panel Hearing Examiner Staff

Date filed with CCA:

Initials: OPR Staff Counsel

Table with 40 numbered rows and columns for Due Dates (Previous, Current) and a central box containing '0'.

Section 3 - Chairman Completes

Assignments are as follows:

- Hearing Officer(s)

Table for Hearing Officer(s) assignments with columns for Commissioners (ALL, JB, DS, BZ, PL, BD), Hrg. Exam., and Staff.

- Prehearing Officer

Table for Prehearing Officer assignments with columns for Commissioners (JB, DS, BZ, PL, BD) and ADM.

DOCUMENT NO. 13023-05

Where panels are assigned the senior Commissioner is Panel Chairman; the identical panel decides the case. Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

Approved: _____

Date: / / _____

Case Assignment and Scheduling Record

Section 1 - Bureau of Records and Hearing Services Completes

Docket No. 021256-WJ Date Docketed: 12/20/2002 Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources, LLC.
 Company: Farmton Water Resources, LLC

Official Filing Date: _____
 Last Day to Suspend: _____ Expiration: _____

Referred to: _____ AUS CAF CCA CMP (ECR) EXT GCL MMS PIF
 ("(") indicates OPR) _____ X _____ X _____

Section 2 - OPR Completes and returns to CCA in 10 workdays. Time Schedule

Program/Module B1(a)
Staff Assignments
OPR Staff P Brady, K Kaproth, S Rieger

Staff Counsel J Rodan

OCRs () _____

 () _____

 () _____

 () _____

 () _____

**WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT.
 IT IS TENTATIVE AND SUBJECT TO REVISION.
 FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770**
 Current CASR revision level

0

	Due Dates	
	Previous	Current
1. Deficiency Notification to Applicant	NONE	01/17/2003
2. Deficiencies Corrected	NONE	02/17/2003
3. Staff Recommendation	NONE	03/06/2003
4. Agenda	NONE	03/18/2003
5. Standard Order	NONE	04/07/2003
6. Close Docket or Revise CASR	NONE	05/09/2003
7. _____		
8. _____		
9. _____		
10. _____		
11. _____		
12. _____		
13. _____		
14. _____		
15. _____		
16. _____		
17. _____		
18. _____		
19. _____		
20. _____		
21. _____		
22. _____		
23. _____		
24. _____		
25. _____		
26. _____		
27. _____		
28. _____		
29. _____		
30. _____		
31. _____		
32. _____		
33. _____		
34. _____		
35. _____		
36. _____		
37. _____		
38. _____		
39. _____		
40. _____		

Recommended assignments for hearing and/or deciding this case:

Full Commission X Commission Panel _____
 Hearing Examiner _____ Staff _____

Date filed with CCA: 01/03/2003

Initials: OPR _____
 Staff Counsel _____

Section 3 - Chairman Completes

Assignments are as follows:

- Hearing Officer(s)

Commissioners						Hrg. Exam.	Staff
ALL	JB	DS	BZ	PL	BD		
X							

- Prehearing Officer

Commissioners					ADM
JB	DS	BZ	PL	BD	
	X				

Where panels are assigned the senior Commissioner is Panel Chairman; the identical panel decides the case. Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

Approved: _____

Date: 01/03/2003

Case Scheduling/Rescheduling Advice

Last Revised 02/06/2003 at 12:36

Page 1 of 1

Printed on 02/11/2003 at 14:29

To:

<input checked="" type="checkbox"/> Commissioner Deason	<input checked="" type="checkbox"/> Deputy Executive Director/EXA	<input checked="" type="checkbox"/> Economic Regulation Director
<input checked="" type="checkbox"/> Commissioner Baez	<input checked="" type="checkbox"/> General Counsel Director	<input type="checkbox"/> External Affairs Director
<input checked="" type="checkbox"/> Commissioner Bradley	<input type="checkbox"/> Auditing & Safety Director	<input checked="" type="checkbox"/> Court Reporter
<input type="checkbox"/> Commissioner Davidson	<input checked="" type="checkbox"/> Comm. Clerk & ADM Services	<input checked="" type="checkbox"/> Staff Contact - Jennifer Rodan
<input checked="" type="checkbox"/> Executive Director	<input type="checkbox"/> Competitive Markets/Enforcement	<input type="checkbox"/>
<input checked="" type="checkbox"/> Public Information Officer	<input checked="" type="checkbox"/> Consumer Affairs Director	<input type="checkbox"/>

From: Office of Chairman Lila Jaber

Docket Number: 021256-WU

Docket Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farnton Water Resources, LLC.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Prehearing Conference		01/26/2004	Tallahassee, Room 152	9:30 AM - 11:00 AM
Service Hearing		02/10/2004	Volusia County	10:00 AM - 12:00 PM
Hearing		02/10/2004	Volusia County	12:00 PM - 5:00 PM
Service Hearing		02/10/2004	Volusia County	6:00 PM - 8:00 PM
Hearing		02/11/2004	Volusia County	10:00 AM - 5:00 PM
Hearing		02/12/2004	Volusia County	10:00 AM - 5:00 PM

2. Hearing/Prehearing Assignment Information

Former Assignments

Hearing Officers

Commissioners						Hearing Exam.	Staff
ALL	JB	DS	BZ	BD	DV		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	JB	DS	BZ	BD	DV		
		X	X	X			

Prehearing Officer

Commissioners						
JB	DS	BZ	BD	DV	ADM	

Commissioners						
JB	DS	BZ	BD	DV	ADM	
	X					

Reason for Revision: A. New Assignment 1. Unavailability 2. Good Cause 3. Recused 4. Disqualified 5. See Remarks

Remarks:

Case Assignment and Scheduling Record

Section 1 - Bureau of Records and Hearing Services Completes

Jocket No. 021256-WU Date Docketed: 12/20/2002 Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources, LLC.
 Company: Farmton Water Resources, LLC

Official Filing Date: _____
 Last Day to Suspend: _____ Expiration: _____

Referred to: _____ AUS CAF CCA CMP (ECR) EXT GCL MMS PIF
 ("(") indicates OPR) _____ X _____ X _____

Section 2 - OPR Completes and returns to CCA in 10 workdays.

Time Schedule

Program/Module B1(a)
Staff Assignments
OPR Staff P Brady, K Kaproth, S Rieger

Staff Counsel L Holley, J Rodan
OCRs () _____
 () _____
 () _____
 () _____
 () _____
 () _____
 () _____

**WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT.
 IT IS TENTATIVE AND SUBJECT TO REVISION.
 FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770
 Current CASR revision level**

1

	Due Dates	
	Previous	Current
1. Deficiency Notification to Applicant	NONE	02/13/2003
2. Deficiencies Corrected	NONE	03/13/2003
3. Order Establishing Procedure	NONE	03/21/2003
4. Issue Identification	NONE	06/27/2003
5. Direct Testimony	NONE	07/25/2003
6. Testimony - Intervenor	NONE	08/22/2003
7. Testimony - Staff	NONE	09/19/2003
8. Testimony - Rebuttal	NONE	10/17/2003
9. FAW Notice Filed - Prehearing	NONE	01/05/2004
10. Notice of Prehearing	NONE	01/05/2004
11. FAW Notice Filed - Hearing	NONE	01/12/2004
12. Prehearing Statements	NONE	01/12/2004
13. Notice of Hearing	NONE	01/12/2004
14. Prehearing	NONE	01/26/2004
15. Transcript of Prehearing Due	NONE	02/02/2004
16. Prehearing Order	NONE	02/03/2004
17. Hearing (02/10-12/04)	NONE	02/10/2004
18. Transcript of Hearing Due	NONE	02/26/2004
19. Briefs Due	NONE	03/11/2004
20. Staff Recommendation	NONE	04/08/2004
21. Agenda	NONE	04/20/2004
22. Final Order	NONE	05/10/2004
23. Close Docket or Revise CASR	NONE	06/07/2004
24.		
25.		
26.		
27.		
28.		
29.		
30.		
31.		
32.		
33.		
34.		
35.		
36.		
37.		
38.		
39.		
40.		

Recommended assignments for hearing and/or deciding this case:
 Full Commission _____ Commission Panel X
 Hearing Examiner _____ Staff _____
 Date filed with CCA: 02/13/2003
 Initials: OPR _____
 Staff Counsel _____

Section 3 - Chairman Completes

Assignments are as follows:

C SRA

- Hearing Officer(s)

Commissioners						Hrg. Exam.	Staff
ALL	JB	DS	BZ	BD	DV		
		X	X	X			

- Prehearing Officer

Commissioners					ADM
JB	DS	BZ	BD	DV	
	X				

Where panels are assigned the senior Commissioner is Panel Chairman; the identical panel decides the case. Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

Approved: *S. Lane*
 Date: 02/13/2003

Case Assignment and Scheduling Record

Section 1 - Bureau of Records and Hearing Services Completes

Docket No. 021256-WU Date Docketed: 12/20/2002 Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farnton Water Resources, LLC.
 Company: Farnton Water Resources, LLC

Official Filing Date: _____
 Last Day to Suspend: _____ Expiration: _____

Referred to: _____ AUS CAF CCA CMP (ECR) EXT GCL MMS PIF
 ("(") indicates OPR) _____ X _____ X _____

Section 2 - OPR Completes and returns to CCA in 10 workdays.

Time Schedule

<u>Program/Module</u>	Bl(a)
<u>Staff Assignments</u>	
<u>OPR Staff</u>	P Brady, K Kaproth, S Rieger
<u>Staff Counsel</u>	L Holley, J Rodan
<u>OCRs</u> ()	
()	
()	
()	
()	
()	
()	
()	
()	

WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT. IT IS TENTATIVE AND SUBJECT TO REVISION.

FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770
 Current CASR revision level

2

	Due Dates	
	Previous	Current
1. Deficiencies Corrected	SAME	03/13/2003
2. Order Establishing Procedure	SAME	03/21/2003
3. Issue Identification	SAME	06/27/2003
4. Direct Testimony	SAME	07/25/2003
5. Testimony - Intervenor	SAME	08/22/2003
6. Testimony - Staff	SAME	09/19/2003
7. Testimony - Rebuttal	SAME	10/17/2003
8. FAW Notice Filed - Prehearing	01/05/2004	01/13/2004
9. Notice of Prehearing	01/05/2004	01/13/2004
10. Prehearing Statements	01/12/2004	01/16/2004
11. FAW Notice Filed - Hearing	01/12/2004	01/20/2004
12. Notice of Hearing	01/12/2004	01/20/2004
13. Prehearing	01/26/2004	02/02/2004
14. Transcript of Prehearing Due	02/02/2004	02/09/2004
15. Prehearing Order	02/03/2004	02/11/2004
16. Hearing (02/18-20/04)	02/10/2004	02/18/2004
17. Transcript of Hearing Due	02/26/2004	03/05/2004
18. Briefs Due	03/11/2004	03/19/2004
19. Staff Recommendation	04/08/2004	05/06/2004
20. Agenda	04/20/2004	05/18/2004
21. Final Order	05/10/2004	06/07/2004
22. Close Docket or Revise CASR	06/07/2004	07/05/2004
23.		
24.		
25.		
26.		
27.		
28.		
29.		
30.		
31.		
32.		
33.		
34.		
35.		
36.		
37.		
38.		
39.		
40.		

Recommended assignments for hearing and/or deciding this case:

Full Commission _____ Commission Panel X
 Hearing Examiner _____ Staff _____

Date filed with CCA: 02/17/2003

Initials: OPR _____
 Staff Counsel _____

Section 3 - Chairman Completes

Assignments are as follows:

CSRA

- Hearing Officer(s)

Commissioners						Hrg. Exam.	Staff
ALL	JB	DS	BZ	BD	DV		
		X	X	X			

- Prehearing Officer

Commissioners					ADM
JB	DS	BZ	BD	DV	
	X				

Where panels are assigned the senior Commissioner is Panel Chairman; the identical panel decides the case.
 Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

Approved: *S/iam*

Date: 02/17/2003

Case Scheduling/Rescheduling Advice

Last Revised 02/17/2003 at 11:20

Page 1 of 1

Printed on 03/04/2003 at 12:22

To:

<input checked="" type="checkbox"/> Commissioner Deason	<input checked="" type="checkbox"/> Deputy Executive Director/EXA	<input checked="" type="checkbox"/> Economic Regulation Director
<input checked="" type="checkbox"/> Commissioner Baez	<input checked="" type="checkbox"/> General Counsel Director	<input type="checkbox"/> External Affairs Director
<input type="checkbox"/> Commissioner Bradley	<input type="checkbox"/> Auditing & Safety Director	<input checked="" type="checkbox"/> Court Reporter
<input type="checkbox"/> Commissioner Davidson	<input checked="" type="checkbox"/> Comm. Clerk & ADM Services	<input checked="" type="checkbox"/> Staff Contact - Jennifer Rodan
<input checked="" type="checkbox"/> Executive Director	<input type="checkbox"/> Competitive Markets/Enforcement	<input type="checkbox"/>
<input checked="" type="checkbox"/> Public Information Officer	<input checked="" type="checkbox"/> Consumer Affairs Director	<input type="checkbox"/>

From: Office of Chairman Lila Jaber

Docket Number: 021256-WU

Docket Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farnton Water Resources, LLC.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Prehearing Conference	01/26/2004	02/02/2004	Tallahassee, Room 152	1:30 PM - 3:00 PM
Service Hearing	02/10/2004	02/18/2004	Volusia County	10:00 AM - 12:00 PM
Hearing	02/10/2004	02/18/2004	Volusia County	12:00 PM - 5:00 PM
Service Hearing	02/10/2004	02/18/2004	Volusia County	6:00 PM - 8:00 PM
Hearing	02/11/2004	02/19/2004	Volusia County	10:00 AM - 5:00 PM
Hearing	02/12/2004	02/20/2004	Volusia County	10:00 AM - 5:00 PM

2. Hearing/Prehearing Assignment Information

Former Assignments

Hearing Officers

Commissioners						Hearing Exam.	Staff
ALL	JB	DS	BZ	BD	DV		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	JB	DS	BZ	BD	DV		
		X	X	X			

Prehearing Officer

Commissioners					
JB	DS	BZ	BD	DV	ADM

Commissioners					
JB	DS	BZ	BD	DV	ADM
	X				

Reason for Revision: A. New Assignment 1. Unavailability 2. Good Cause 3. Recused 4. Disqualified 5. See Remarks

Remarks:

Case Scheduling/Rescheduling Advice

Last Revised 09/03/2003 at 14:38

Page 1 of 1

Printed on 09/03/2003 at 14:39

To: Commissioner Deason Deputy Executive Director/EXA Economic Regulation Director
 Commissioner Baez General Counsel Director External Affairs Director
 Commissioner Bradley Auditing & Safety Director Court Reporter
 Commissioner Davidson Comm. Clerk & ADM Services Staff Contact - Jennifer Rodan
 Executive Director Competitive Markets/Enforcement
 Public Information Officer Consumer Affairs Director

From: Office of Chairman Lila Jaber

Docket Number: 021256-WU

Docket Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources, LLC.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Prehearing Conference	02/02/2004	05/17/2004	Tallahassee, Room 152	1:30 PM - 3:00 PM
Service Hearing	02/18/2004	06/08/2004	Volusia County	10:00 AM - 12:00 PM
Hearing	02/18/2004	06/08/2004	Volusia County	12:00 PM - 5:00 PM
Service Hearing	02/18/2004	06/08/2004	Volusia County	6:00 PM - 8:00 PM
Hearing	02/19/2004	06/09/2004	Volusia County	10:00 AM - 5:00 PM
Hearing	02/20/2004	06/10/2004	Volusia County	10:00 AM - 5:00 PM

2. Hearing/Prehearing Assignment Information

Former Assignments

Hearing Officers

Commissioners						Hearing Exam.	Staff
ALL	JB	DS	BZ	BD	DV		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	JB	DS	BZ	BD	DV		
			X	X	X		

Prehearing Officer

Commissioners					
JB	DS	BZ	BD	DV	ADM

Commissioners					
JB	DS	BZ	BD	DV	ADM
	X				

Reason for Revision: A. New Assignment 1. Unavailability 2. Good Cause 3. Recused 4. Disqualified 5. See Remarks

Remarks:

Case Scheduling/Rescheduling Advice

Last Revised 09/12/2003 at 15:07

Page 1 of 1

Printed on 09/12/2003 at 15:09

To:

<input checked="" type="checkbox"/> Commissioner Deason	<input checked="" type="checkbox"/> Deputy Executive Director/EXA	<input checked="" type="checkbox"/> Economic Regulation Director
<input checked="" type="checkbox"/> Commissioner Baez	<input checked="" type="checkbox"/> General Counsel Director	<input type="checkbox"/> External Affairs Director
<input checked="" type="checkbox"/> Commissioner Bradley	<input type="checkbox"/> Auditing & Safety Director	<input checked="" type="checkbox"/> Court Reporter
<input type="checkbox"/> Commissioner Davidson	<input checked="" type="checkbox"/> Comm. Clerk & ADM Services	<input checked="" type="checkbox"/> Staff Contact - Jennifer Rodan
<input checked="" type="checkbox"/> Executive Director	<input type="checkbox"/> Competitive Markets/Enforcement	<input type="checkbox"/>
<input checked="" type="checkbox"/> Public Information Officer	<input checked="" type="checkbox"/> Consumer Affairs Director	<input type="checkbox"/>

From: Office of Chairman Lila Jaber

Docket Number: 021256-WU

Docket Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farnton Water Resources, LLC.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Service Hearing	06/08/2004	06/22/2004	Volusia County	10:00 AM - 12:00 PM
Hearing	06/08/2004	06/22/2004	Volusia County	12:00 PM - 5:00 PM
Service Hearing	06/08/2004	06/22/2004	Volusia County	6:00 PM - 8:00 PM
Hearing	06/09/2004	06/23/2004	Volusia County	10:00 AM - 5:00 PM
Hearing	06/10/2004	06/24/2004	Volusia County	10:00 AM - 5:00 PM

2. Hearing/Prehearing Assignment Information

Former Assignments

Hearing Officers

Commissioners						Hearing Exam.	Staff
ALL	JB	DS	BZ	BD	DV		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	JB	DS	BZ	BD	DV		
			X	X	X		

Prehearing Officer

Commissioners					
JB	DS	BZ	BD	DV	ADM

Commissioners					
JB	DS	BZ	BD	DV	ADM
	X				

Reason for Revision: A. New Assignment 1. Unavailability 2. Good Cause 3. Recused 4. Disqualified 5. See Remarks

Remarks: PH - 5/17/04.

Section 1 - Bureau of Records and Hearing Services Completes

Docket No. 021256-WU Date Docketed: 12/20/2002 Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources, LLC.
 Company: Farmton Water Resources, LLC

Official Filing Date: _____ Expiration: _____
 Last Day to Suspend: _____
 Referred to: _____
 ("O") indicates OPR

AUS	CAF	CCA	CMP	(ECR)	EXT	GCL	MMS	PIF
				X		X		

Section 2 - OPR Completes and returns to CCA in 10 workdays. Time Schedule

Program Module B1(a)

**WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT
 IT IS TENTATIVE AND SUBJECT TO REVISION.
 FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770**

Staff Assignments

OPR Staff P Brady, K Kaproth
S Rieger

Staff Counsel L Holley, J Rodan

OCRs

	3 Current CASR revision level	Due Dates	
		Previous	Current
1. Testimony - Staff		09/19/2003	03/12/2004
2. Testimony - Rebuttal		10/17/2003	04/02/2004
3. FAW Notice Filed - Prehearing		01/13/2004	04/26/2004
4. Notice of Prehearing		01/13/2004	04/26/2004
5. Prehearing Statements		01/16/2004	04/30/2004
6. Pre-prehearing		NONE	05/06/2004
7. Prehearing		02/02/2004	05/17/2004
8. Transcript of Prehearing Due		02/09/2004	05/24/2004
9. FAW Notice Filed - Hearing		01/20/2004	05/25/2004
10. Notice of Hearing		01/20/2004	05/25/2004
11. Prehearing Order		02/11/2004	06/07/2004
12. Hearing (06/22 - 24/04)		02/18/2004	06/22/2004
13. Transcript of Hearing Due		03/05/2004	07/08/2004
14. Briefs Due		03/19/2004	07/22/2004
15. Staff Recommendation		05/06/2004	09/09/2004
16. Agenda		05/18/2004	09/21/2004
17. Final Order		06/07/2004	10/11/2004
18. Close Docket or Revise CASR		07/05/2004	11/15/2004
19.			
20.			
21.			
22.			
23.			
24.			
25.			
26.			
27.			
28.			
29.			
30.			
31.			
32.			
33.			
34.			
35.			
36.			
37.			
38.			
39.			
40.			

Recommended assignments for hearing and/or deciding this case:
 Full Commission _____ Commission Panel X
 Hearing Examiner _____ Staff _____
 Date filed with CCA: 09/18/2003
 Initials: OPR _____
 Staff Counsel _____

Section 3 - Chairman Completes

Assignments are as follows:

CSRA

- Hearing Officer(s)

Commissioners						Hrg	Staff
ALL	JB	DS	BZ	BD	DV	Exam	
		X	X	X			

- Prehearing Officer

Commissioners					ADM
JB	DS	BZ	BD	DV	
	X				

Where panels are assigned the senior Commissioner is Panel Chairman: the identical panel decides the case.
 Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

Approved: *[Signature]*
 Date: 09/18/2003

Case Scheduling/Rescheduling Advice

Last Revised 01/23/2004 at 15:57

Page 1 of 1

Printed on 01/23/2004 at 16:12

To:

<input checked="" type="checkbox"/> Commissioner Deason	<input checked="" type="checkbox"/> Deputy Executive Director/EXA	<input checked="" type="checkbox"/> Economic Regulation Director
<input checked="" type="checkbox"/> Commissioner Jaber	<input checked="" type="checkbox"/> General Counsel Director	<input type="checkbox"/> External Affairs Director
<input checked="" type="checkbox"/> Commissioner Bradley	<input type="checkbox"/> Auditing & Safety Director	<input checked="" type="checkbox"/> Court Reporter
<input type="checkbox"/> Commissioner Davidson	<input checked="" type="checkbox"/> Comm. Clerk & ADM Services	<input checked="" type="checkbox"/> Staff Contact - Jennifer Rodan
<input checked="" type="checkbox"/> Executive Director	<input type="checkbox"/> Competitive Markets/Enforcement	<input type="checkbox"/>
<input checked="" type="checkbox"/> Public Information Officer	<input checked="" type="checkbox"/> Consumer Affairs Director	<input type="checkbox"/>

From: Office of Chairman Braulio Baez

Docket Number: 021256-WU

Docket Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources, LLC.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Service Hearing	06/08/2004	06/22/2004	Volusia County	10:00 AM - 12:00 PM
Service Hearing	06/08/2004	06/22/2004	Volusia County	6:00 PM - 8:00 PM
Hearing	06/09/2004	06/23/2004	Volusia County	10:00 AM - 5:00 PM
Hearing	06/10/2004	06/24/2004	Volusia County	10:00 AM - 5:00 PM

2. Hearing/Prehearing Assignment Information

Former Assignments

Hearing Officers

Commissioners						Hearing Exam.	Staff
ALL	BZ	DS	JB	BD	DV		
	1						

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	BZ	DS	JB	BD	DV		
		X	X	X			

Prehearing Officer

Commissioners						
BZ	DS	JB	BD	DV	ADM	

Commissioners						
BZ	DS	JB	BD	DV	ADM	
	X					

Reason for Revision: A. New Assignment 1. Unavailability 2. Good Cause 3. Recused 4. Disqualified 5. See Remarks

Remarks: PH - 5/17/04.

Case Scheduling/Rescheduling Advice

Last Revised 03/19/2004 at 13:46

Page 1 of 1

Printed on 03/22/2004 at 09:01

To: Commissioner Deason Deputy Executive Director/EXA Economic Regulation Director
 Commissioner Jaber General Counsel Director External Affairs Director
 Commissioner Bradley Auditing & Safety Director Court Reporter
 Commissioner Davidson Comm. Clerk & ADM Services Staff Contact - Jennifer Rodan
 Executive Director Competitive Markets/Enforcement
 Public Information Officer Consumer Affairs Director

From: Office of Chairman Braulio Baez

Docket Number: 021256-WU

Docket Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farnton Water Resources, LLC.

1. Schedule Information

Event	Former Date	New Date	Location	Time
Service Hearing	06/22/2004	05/13/2004	Volusia County	6:00 PM - 8:00 PM
Hearing	06/08/2004	06/22/2004	Tallahassee, Room 148	9:30 AM - 5:00 PM
Service Hearing	06/22/2004	Cancelled	Volusia County	10:00 AM - 12:00 PM
Hearing	06/09/2004	06/23/2004	Tallahassee, Room 148	9:30 AM - 5:00 PM
Hearing	06/10/2004	06/24/2004	Tallahassee, Room 148	9:30 AM - 5:00 PM

2. Hearing/Prehearing Assignment Information

Former Assignments

Hearing Officers

Commissioners						Hearing Exam.	Staff
ALL	BZ	DS	JB	BD	DV		

Current Assignments

Commissioners						Hearing Exam.	Staff
ALL	BZ	DS	JB	BD	DV		
		X	X	X			

Prehearing Officer

Commissioners					
BZ	DS	JB	BD	DV	ADM

Commissioners					
BZ	DS	JB	BD	DV	ADM
	X				

Reason for Revision: A. New Assignment 1. Unavailability 2. Good Cause 3. Recused 4. Disqualified 5. See Remarks

Remarks: Separate service hearing to be held in Volusia/Brevard County area; technical hearing moved to Tallahassee.

Section 1 - Bureau of Records and Hearing Services Completes

Docket No. 021256-WU Date Docketed: 12/20/2002 Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources, LLC.

Company: Farmton Water Resources, LLC

Official Filing Date: _____
 Last Day to Suspend: _____
 Referred to: _____
 ("C") indicates OPR

Expiration: _____

AUS	CAF	CCA	CMP	ECR	EXT	(GCL)	MMS	PIF
				X		X		

Section 2 - OPR Completes and returns to CCA in 10 workdays.

Time Schedule

Program Module B1(a)

**WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT
 IT IS TENTATIVE AND SUBJECT TO REVISION.
 FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770**

Staff Assignments

OPR Staff K Fleming, M Brown, J

Staff Counsel K Fleming, M Brown, J

OCRs (ECR) P Brady, K Kaproth
 S Rieger

4 Current CASR revision level

Due Dates
 Previous Current

1. Testimony - Rebuttal	04/02/2004	04/16/2004
2. FAW Notice Filed - Prehearing	04/26/2004	04/19/2004
3. Notice of Prehearing	04/26/2004	04/19/2004
4. FAW Notice Filed - Service Hearing	NONE	04/20/2004
5. Notice of Service Hearing	NONE	04/20/2004
6. Pre-prehearing	05/06/2004	04/30/2004
7. Prehearing Statements	04/30/2004	05/07/2004
8. Service Hearing	SAME	05/13/2004
9. Prehearing	02/02/2004	05/17/2004
10. Transcript of Prehearing Due	02/09/2004	05/24/2004
11. FAW Notice Filed - Hearing	01/20/2004	05/25/2004
12. Notice of Hearing	01/20/2004	05/25/2004
13. Prehearing Order	02/11/2004	06/07/2004
14. Hearing (06/22 - 24/04)	02/18/2004	06/22/2004
15. Transcript of Hearing Due	03/05/2004	07/08/2004
16. Briefs Due	03/19/2004	07/22/2004
17. Staff Recommendation	05/06/2004	09/09/2004
18. Agenda	05/18/2004	09/21/2004
19. Final Order	06/07/2004	10/11/2004
20. Close Docket or Revise CASR	07/05/2004	11/15/2004
21.		
22.		
23.		
24.		
25.		
26.		
27.		
28.		
29.		
30.		
31.		
32.		
33.		
34.		
35.		
36.		
37.		
38.		
39.		
40.		

Recommended assignments for hearing and/or deciding this case:

Full Commission _____ Commission Panel X
 Hearing Examiner _____ Staff _____

Date filed with CCA: 03/31/2004

Initials: OPR _____
 Staff Counsel _____

Section 3 - Chairman Completes

Assignments are as follows:

- Hearing Officer(s)

Commissioners						Hrg	Staff
ALL	BZ	DS	JB	BD	DV	Exam	
		X	X	X			

- Prehearing Officer

Commissioners					ADM
BZ	DS	JB	BD	DV	
	X				

Where panels are assigned the senior Commissioner is Panel Chairman: the identical panel decides the case.

Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

Approved: BIB/Am

Date: 03/31/2004

Section 1 - Bureau of Records Complete

Docket No. 021256-WU Date Docketed: 12/20/2002 Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources LLC.
 Company: Farmton Water Resources LLC

Official Filing Date: _____ Expiration: _____
 Last Day to Suspend: _____
 Referred to: _____
 ("C") indicates OPR

CCA	CMP	ECR	FLL	(GCL)	MMS	PIF	RCA	SCR
		X		X				

Section 2 - OPR Completes and returns to CCA in 10 workdays.

Time Schedule

Program Module B1(a)

Staff Assignments

OPR Staff K Fleming, M Brown, J

Staff Counsel K Fleming, M Brown, J

OCRs (ECR) P Brady, K Kaproth
S Rieger

**WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT
 IT IS TENTATIVE AND SUBJECT TO REVISION.
 FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770**

	Current CASR revision level	Due Dates	
		Previous	Current
1. Pre-prehearing	6	05/06/2004	04/30/2004
2. Prehearing Order		06/07/2004	06/10/2004
3. Hearing (06/22 - 24/04)		02/18/2004	06/22/2004
4. Transcript of Hearing Due		03/05/2004	07/08/2004
5. Briefs Due		03/19/2004	07/22/2004
6. Staff Recommendation		05/06/2004	09/09/2004
7. Agenda		05/18/2004	09/21/2004
8. Final Order		06/07/2004	10/11/2004
9. Close Docket or Revise CASR		07/05/2004	11/15/2004
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			
26.			
27.			
28.			
29.			
30.			
31.			
32.			
33.			
34.			
35.			
36.			
37.			
38.			
39.			
40.			

Recommended assignments for hearing and/or deciding this case:
 Full Commission _____ Commission Panel X
 Hearing Examiner _____ Staff _____
 Date filed with CCA: 06/02/2004
 Initials: OPR _____
 Staff Counsel _____

Section 3 - Chairman Completes

Assignments are as follows: CSRA

- Hearing Officer(s)

Commissioners						Hrg	Staff
ALL	BZ	DS	JB	BD	DV	Exam	
		X	X	X			

- Prehearing Officer

Commissioners					ADM
BZ	DS	JB	BD	DV	
	X				

Where panels are assigned the senior Commissioner is Panel Chairman: the identical panel decides the case.
 Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

Approved: BB/
 Date: 06/02/2004

Section 1 - Bureau of Records Complete

Docket No. 021256-WU Date Docketed: 12/20/2002 Title: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources LLC.
 Company: Farmton Water Resources LLC

Official Filing Date: _____ Expiration: _____
 Last Day to Suspend: _____

Referred to: _____
 ("C") indicates OPR

CCA	CMP	ECR	FLL	(GCL)	MMS	PIF	RCA	SCR
		X		X				

Section 2 - OPR Completes and returns to CCA in 10 workdays. Time Schedule

Program Module B1(a)

**WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT
 IT IS TENTATIVE AND SUBJECT TO REVISION.
 FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770**

Staff Assignments
OPR Staff K Fleming, M Brown, J

8	Current CASR revision level	Due Dates	
		Previous	Current

Staff Counsel K Fleming, M Brown, J

OCRs (ECR) P Brady, K Kaproth
S Rieger

#	Event	Previous	Current
1.	Pre-prehearing	05/06/2004	04/30/2004
2.	Briefs Due	07/22/2004	07/29/2004
3.	Staff Recommendation	09/09/2004	08/26/2004
4.	Agenda	09/21/2004	09/07/2004
5.	Final Order	10/11/2004	09/27/2004
6.	Close Docket or Revise CASR	11/15/2004	10/25/2004
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			
26.			
27.			
28.			
29.			
30.			
31.			
32.			
33.			
34.			
35.			
36.			
37.			
38.			
39.			
40.			

Recommended assignments for hearing and/or deciding this case:
 Full Commission _____ Commission Panel X
 Hearing Examiner _____ Staff _____
 Date filed with CCA: 07/12/2004
 Initials: OPR _____
 Staff Counsel _____

Section 3 - Chairman Completes Assignments are as follows:

- Hearing Officer(s)

Commissioners						Hrg	Staff
ALL	BZ	DS	JB	BD	DV	Exam	
		X	X	X			

- Prehearing Officer

Commissioners					ADM
BZ	DS	JB	BD	DV	
	X				

Where panels are assigned the senior Commissioner is Panel Chairman: the identical panel decides the case.
 Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

Approved: BBJ/Hwjrt
 Date: 07/12/2004

C

STATE OF FLORIDA

COMMISSIONERS:
LILA A. JABER, CHAIRMAN
J. TERRY DEASON
BRAULIO L. BAEZ
MICHAEL A. PALECKI
RUDOLPH "RUDY" BRADLEY



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

December 24, 2002

F. Marshall Deterding, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blirstone Pines Drive
Tallahassee, Florida 32301

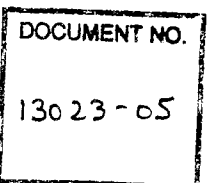
Re: Docket No. 021256-WU

Dear Mr. Deterding:

This will acknowledge receipt of an application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources, LLC, which was filed in this office on December 20, 2002, and assigned the above-referenced docket number. Appropriate staff members will be advised.

Mediation may be available to resolve any dispute in this docket. If mediation is conducted, it does not affect a substantially interested person's right to an administrative hearing. For more information, contact the Office of General Counsel at (850) 413-6248 or FAX (850) 413-7180.

Division of the Commission Clerk and Administrative Services
Florida Public Service Commission



Mary Lee Cook

ORIGINAL

RECEIVED FPSC

PHONE 386-345-3793

Accountant

03 JAN 27 AM 10:51

ENROLLED TO PRACTICE
BEFORE THE INTERNAL REVENUE SERVICE

COMMISSION
CLERK

222 W. ARIEL ROAD
EDGEWATER, FL 32141

January 24, 2003

Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, Florida 32399-0850

021256-WU

Attn: Com.Clerk

RE: Miami Corp Hearing
Water Utility License

Dear Sirs:

I see no reason not to grant the Miami Corp. the water utility license. The City of Edgewater's wells are not on city property but are beyond the city limits on State Rd 442.

The only reason Edgewater does not want the Miami Corp. to have control of the water is because they want to tap into it, sell it to the county, who will then sell it tous poor saps,all the way down to Oak Hill,where they are already servicing some customers.

AHS _____
 CAP _____
 CMP _____
 COM _____
 CTE _____
 ETO _____
 GIL _____
 OPC _____
 MMS _____
 SEC _____
 OTH *Hang* _____

Isnt it a little ironic that Edgewater and the county plan, in the future , to sell to the Miami Corp. water that they will pump out of Miami Corp. ground ?? . As you can see by City Manager Ken Hooper's remarks to the News Journal, he is warped out of shape because he may be stymied in his efforts to sell something that doesnt belong to him in the first place.

The City of Edgewater is pushing to extend SR 442 west, through Miami Corp. property, to tie in to S.R. 415. If this happens, who do you think is going to push for annexation, and unwelcome development ?

Give the license to the Miami Corp.

Yours truly,

Mary Lee Cook
Mary Lee Cook
MLC/sf
cc: Glenn Storch
Kevin Bloom



Mrs Mary Cook
222 W Ariel Rd
Edgewater FL 32141

City objects to others tapping into water supply

By CINDY F. CRAWFORD
STAFF WRITER

EDGEWATER — Water flowing into homes and businesses from the New Smyrna Beach line to Oak Hill comes from four wells off State Road 442 and Interstate 95.

City officials worry those wells could run dry if a neighboring landowner gets permission to establish a water utility just a few miles away.

"What is that going to do to Volusia County's water supply?" Mayor Don Schmidt asked.

Edgewater officials sent a two-page letter Thursday to the Florida Public Service Commission objecting to the application made in December by the Miami Corp., which owns 60,000 acres of timberland bordering Edgewater west of the interstate.

"We want to make sure the area is protected. We just want to be good neighbors."

GLENN STORCH
attorney for Miami Corp.

The water utility license would give the corporation control over the water supply underneath its property in Volusia and Brevard counties.

Company representative Glenn Storch said Friday it seeks the license not to form a utility company, but to protect the water from others tapping in.

Miami Corp. is fighting Titusville officials' plans to dig wells along the Florida East Coast Railway easement, which would take water from under their

property.

"We want to make sure the area is protected," said Storch, a Daytona Beach attorney representing the Chicago-based owners. "We just want to be good neighbors."

The company may preach preservation, but Edgewater still is against the licensing, City Manager Ken Hooper said. Even if they don't set up a utility, a future company could, he added.

"We're against any export of water from Volusia County," he

said. "We want to avoid a water shortage."

In February 2002, Volusia County Water Alliance released a report predicting severe supply problems in the next 20 years. So far, Edgewater has had no problems pumping 4 million gallons of water a day from the wells off S.R. 442, Hooper said.

If Miami Corp. wants to develop, they can get water from Edgewater or the county, Hooper said.

Deltona leaders also are against the licensing, fearing it will lead to development sprawl.

"No one knows what their ultimate goal is," said Deltona Mayor John Masiarczyk last week. "I think, as a community, Volusia County should be very concerned about it."

Volusia County Council mem-

bers also directed county attorneys to look into challenging the license during a meeting last week.

Hooper argued that a water utility company in that area would take away customers the city planned to service in the future.

The Florida Public Service Commission will address the permit in March, spokesman Kevin Bloom said. On Friday, no other objection letters had been received, he said.

Storch said the only plans for development on the property include adding new campsites at an existing hunting camp.

cindy.crawford@news-jrnl.com

Staff Writer Jeannine Gage contributed to this story.



Public Service Commission

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

ORIGINAL

DATE: January 29, 2003
TO: Division of the Commission Clerk and Administrative Services
FROM: Jennifer A. Rodan, Attorney, Office of the General Counsel *JAR*
RE: Docket No. 021256-WU, Application for Certificate to Provide Water Service in Volusia and Brevard Counties by Farnton Water Resources, LLC.

Please file the attached letter, dated January 24, 2003, in the correspondence portion of the above-referenced docket.

COMMISSION
CLERK

JAN 29 PM 4:01

RECEIVED FPSC

Mary Lee Cook

PHONE 386-345-3793

Accountant

ENROLLED TO PRACTICE
BEFORE THE INTERNAL REVENUE SERVICE

222 W. ARIEL ROAD
EDGEWATER, FL 32141

January 24, 2003

Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, Florida 32399-0850

Attn: Com.Clerk

RE: Miami Corp Hearing
Water Utility License

Dear Sirs:

I see no reason not to grant the Miami Corp. the water utility license. The City of Edgewater's wells are not on city property but are beyond the city limits on State Rd 442.

The only reason Edgewater does not want the Miami Corp. to have control of the water is because they want to tap into it, sell it to the county, who will then sell it tous poor saps,all the way down to Oak Hill,where they are already servicing some customers.

Isnt it a little ironic that Edgewater and the county plan, in the future , to sell to the Miami Corp. water that they will pump out of Miami Corp. ground ?? . As you can see by City Manager Ken Hooper's remarks to the News Journal, he is warped out of shape because he may be stymied in his efforts to sell something that doesnt belong to him in the first place.

The City of Edgewater is pushing to extend SR 442 west, through Miami Corp. property, to tie in to S.R. 415. If this happens, who do you think is going to push for annexation, and unwelcome development ?

Give the license to the Miami Corp.

Yours truly,

Mary Lee Cook



MLC/sf

cc: Glenn Storch
Kevin Bloom

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
03 JAN 28 PM 12: 53
DIVISION OF
ECONOMIC REGULATION

City objects to others tapping into water supply

By CINDY F. CRAWFORD
STAFF WRITER

EDGEWATER — Water flowing into homes and businesses from the New Smyrna Beach line to Oak Hill comes from four wells off State Road 442 and Interstate 95.

City officials worry those wells could run dry if a neighboring landowner gets permission to establish a water utility just a few miles away.

"What is that going to do to Volusia County's water supply?" Mayor Don Schmidt asked.

Edgewater officials sent a two-page letter Thursday to the Florida Public Service Commission objecting to the application made in December by the Miami Corp., which owns 60,000 acres of timberland bordering Edgewater west of the interstate.

"We want to make sure the area is protected. We just want to be good neighbors."

GLENN STORCH
attorney for Miami Corp.

The water utility license would give the corporation control over the water supply underneath its property in Volusia and Brevard counties.

Company representative Glenn Storch said Friday it seeks the license not to form a utility company, but to protect the water from others tapping in.

Miami Corp. is fighting Titusville officials' plans to dig wells along the Florida East Coast Railway easement, which would take water from under their

property.

"We want to make sure the area is protected," said Storch, a Daytona Beach attorney representing the Chicago-based owners. "We just want to be good neighbors."

The company may preach preservation, but Edgewater still is against the licensing, City Manager Ken Hooper said. Even if they don't set up a utility, a future company could, he added.

"We're against any export of water from Volusia County," he

said. "We want to avoid a water shortage."

In February 2002, Volusia County Water Alliance released a report predicting severe supply problems in the next 20 years. So far, Edgewater has had no problems pumping 4 million gallons of water a day from the wells off S.R. 442, Hooper said.

If Miami Corp. wants to develop, they can get water from Edgewater or the county, Hooper said.

Deltona leaders also are against the licensing, fearing it will lead to development sprawl.

"No one knows what their ultimate goal is," said Deltona Mayor John Masiarczyk last week. "I think, as a community, Volusia County should be very concerned about it."

Volusia County Council mem-

bers also directed county attorneys to look into challenging the license during a meeting last week.

Hooper argued that a water utility company in that area would take away customers the city planned to service in the future.

The Florida Public Service Commission will address the permit in March, spokesman Kevin Bloom said. On Friday, no other objection letters had been received, he said.

Storch said the only plans for development on the property include adding new campsites at an existing hunting camp.

cindy.crawford@news-jrn1.com

Staff Writer Jeannine Gage contributed to this story.

CCA Official Filing:

3/18/03*****9:16 AM*****Matilda Sanders*****1

Matilda Sanders

0370-PCD

From: Janice Banka
Sent: Tuesday, March 18, 2003 9:17 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

10

Date and Time: 3/18/03 9:16:00 AM
Docket Number: 021256-WU
Filename / Path: 021256oep.jar
Order Type: Signed / Hand Deliver

COMMISSION
CLERK

MAR 18 AM 10:40

RECEIVED FPSC

Order Establishing Procedure.

Number of pages in order - 10.

Thanks "J"

3/3

Hong Wang

From: Jennifer Rodan
Sent: Tuesday, March 11, 2003 4:47 PM
To: Hong Wang
Subject: 021256-WU Farmton, Correction of Phone Numbers

Under the parties of record/interested persons section in the above-referenced docket, The City of New Smyrna Beach's area code should be 386 instead of 904. Also, Volusia County/Daniel Eckert should be 386. I think they recently got a new area code. Thanks!

Hong Wang

From: Hong Wang
Sent: Monday, March 17, 2003 2:38 PM
To: Jennifer Rodan
Subject: RE: 021256-WU Farmton

Done.

-----Original Message-----

From: Jennifer Rodan
Sent: Monday, March 17, 2003 1:19 PM
To: Hong Wang
Cc: Lorena Holley
Subject: ~~021256-WU Farmton~~

Volusia County, Brevard County, and de la Parte Law Firm have elected to be designated as official parties of record in the above-referenced docket. Plus, can you add William Bosch (at same address and in addition to Daniel Eckert already listed) to Volusia County's contact info. Thanks!

Hong Wang

From: Hong Wang
Sent: Thursday, June 12, 2003 12:54 PM
To: Jennifer Rodan
Subject: RE: 021256-WU Farnton Water Resources

Done.

-----Original Message-----

From: Jennifer Rodan
Sent: Thursday, June 12, 2003 12:01 PM
To: Hong Wang
Cc: Lorena Holley
Subject: 021256-WU Farnton Water Resources

In the parties of record section in CMS, can you please edit Volusia County's listing to remove Daniel Eckert as a contact person. It should just be William Bosch. Also, can you add the Fax # for Volusia County-it's 386-736-5990. Thanks!

State of Florida



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

RECEIVED PSC
JUN 16 AM 10:40
COMMISSION
CLERK

DATE: June 13, 2003
TO: Division of the Commission Clerk and Administrative Services
FROM: Jennifer Rodan - Office of the General Counsel - Economic Regulation Section
RE: ~~Desk No. 021256-WU~~ - Application for Certificate to Provide Water Service in Volusia and Brevard Counties by Farnton Water Resources, LLC.

Please place the following individuals on the mailing list as interested persons, and designate their names with an "R".

Charles Gauthier, AICP
Dept. of Community Affairs
Chief, Office of Comprehensive Planning
Bureau of Local Planning
2555 Shumard Oak Blvd.
Tallahassee, FL 32399
(850) 488-8466

Rich Burklew, P. G.
Supervising Regulatory Hydrologist
St. John's River Water Management District
Palm Bay Service Center
525 Community College Parkway, S. E.
Palm Bay, FL 32907
(321) 676-6605 fax (321) 722-5357

Mary Ellen Jones, Esquire
Assistant General Counsel
St. John's River Water Management District
P. O. Box 1429
Palatka, FL 32178
(386) 329-4500

Thanks.

JAR/jb

cc: Division of Economic Regulation (Brady, Kaproth, Rieger)
Office of the General Counsel (Holley)

Done 6/16/03

Hong Wang

From: Hong Wang
Sent: Thursday, June 19, 2003 3:15 PM
To: Jennifer Rodan
Subject: RE: 021256-WU Farnton Water Resources

Done.

-----Original Message-----

From: Jennifer Rodan
Sent: Thursday, June 19, 2003 2:55 PM
To: Hong Wang
Subject: 021256-WU Farnton Water Resources

Can you please add this fax number to the listing for St. Johns Water Management District-
Mary Ellen Jones, Esq.: (386) 329-4485. Thanks.

CCA Official Filing

9/18/2003*****

11:34 AM*****

Matilda Sanders*****1

Matilda Sanders

PSC-03-1038-PCO-WU

From: Janice Banka
Sent: Thursday, September 18, 2003 11:18 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Date and Time: 9/18/2003 11:14:00 AM
Docket Number: 021256-WU
Filename / Path: 021256-rev-oeplah
Order Type: Signed / Hand Deliver

Second Order Establishing Procedure Setting New Controlling Dates.

Number of pages in order - 3.

Thanks "J"

RECEIVED PSC
03 SEP 18 PM 1:29
COMMISSION
CLERK

4/2

DOCUMENT NO
13023-05

M E M O R A N D U M

September 18, 2003

TO: DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES

FROM: JENNIFER A. RODAN, ATTORNEY *JAR*

RE: DOCKET NO. 021256-WU - APPLICATION FOR CERTIFICATE TO PROVIDE WATER SERVICE IN VOLUSIA AND BREVARD COUNTIES BY FARMTON WATER RESOURCES, LLC.

Attached is a SECOND ORDER ESTABLISHING PROCEDURE SETTING NEW CONTROLLING DATES to be issued in the above-referenced docket.

DATE ORDER SENT ELECTRONICALLY TO CCA 9-18-03.

Attachment

I:\021256-rev-oep.lah

Matilda Sanders

0085-PCD

From: Janice Banka
Sent: Monday, January 26, 2004 10:28 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Date and Time: 1/26/2004 10:27:00 AM
Docket Number: 021256-WU
Filename / Path: 021256or.jar
Order Type: Signed / Hand Deliver

RECEIVED FPSC
04 JAN 26 PM 2:02
1:32 pm
COMMISSION
CLERK

Order Granting Motion for Extension of Time to File Rebuttal Testimony and Third Order Establishing Procedure.

THIS ORDER IS IN WORD PERFECT.

Number of pages in order - 3.

Thanks "J"

4/2 + 2 Clrks
(Brevard + Volusia)

DOCUMENT NO
13023-05

Matilda Sanders

0334-PCO

From: Janice Banka
Sent: Tuesday, March 30, 2004 10:15 AM
To: CCA - Orders / Notices; Sandy Moses
Subject: Order / Notice Submitted

2

Date and Time: 3/30/2004 10:13:00 AM
Docket Number: 021256-WU
Filename / Path: 021256\021256-order1.jar.doc
Order Type: Signed / Hand Deliver

Fourth Order Establishing Procedure Setting New Controlling Dates.

Number of pages in order - 2.

Thanks "J"

RECEIVED FPSC
MAR 30 AM 10:38
COMMISSION
CLERK

4/2

04069-04

Matilda Sanders

From: Janice Banka
Sent: Monday, April 19, 2004 10:54 AM
To: CCA - Orders / Notices; Sandy Moses
Subject: Order / Notice Submitted

2

Date and Time: 4/19/2004 10:53:00 AM
Docket Number: 021256-WU
Filename / Path: 021256\021256prehearnotice.kef.doc

Notice of Prehearing Conference.

Number of pages in Notice - 2.

CCS ✓

Thanks "J"

8/4

4675-04

Matilda Sanders

From: Janice Banka
Sent: Monday, April 19, 2004 10:51 AM
To: CCA - Orders / Notices; Sandy Moses
Subject: Order / Notice Submitted

Date and Time: 4/19/2004 10:50:00 AM
Docket Number: 021256-WU
Filename / Path: 021256\021256customerservhrg.kef.doc

Notice of Customer Service Hearings.

CCS ✓

Number of pages in Notice - 2.

Thanks "J"

34/8

04673-04

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

ACKNOWLEDGMENT

DATE: 4/30/04

TO: PETERDING / ROSE

FROM: M. SANDERS, Division of the Commission Clerk and
Administrative Services

RE: Acknowledgment of Receipt of Confidential Filing

05028-04

This will acknowledge receipt of a CONFIDENTIAL DOCUMENT filed in Docket No.

021256-WU or (if filed in an undocketed matter) concerning _____

RESPONSE to STAFFS POD # 1, and

filed on behalf of FARMTON. The

document will be maintained in locked storage.

Any questions regarding this matter should be directed to Kay Flynn at (850) 413-6770.

PSC/CCA019-C (Rev 01/04)

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850

An Affirmative Action/Equal Opportunity Employer

PSC Website: <http://www.floridapsc.com>

Internet E-mail: contact@psc.state.fl.us

Matilda Sanders

From: Janice Banka
Sent: Wednesday, May 12, 2004 2:28 PM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Date and Time: 5/12/2004 2:27:00 PM
Docket Number: 021256-WU
Filename / Path: o21256\021256or.kef.doc
Order Type: Signed / Hand Deliver

I JUST SENT DOWN THE INFO FOR THIS ORDER. I FORGOT TO SAY THAT IT NEEDS TO BE ISSUED TODAY PER THE COMMISSIONER. THANKS

RECEIVED FPSC
MAY 12 PM 2:45
COMMISSION
CLERK

Matilda Sanders

0497-PCO

From: Janice Banka
Sent: Wednesday, May 12, 2004 2:26 PM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Date and Time: 5/12/2004 2:25:00 PM
Docket Number: 021256-WU
Filename / Path: 021256\021256or.kef.doc
Order Type: Signed / Hand Deliver

Order Granting Request for Official Recognition.

Number of pages in order - 2.

Thanks "J"

RECEIVED HNSC
MAY 12 PM 2:45
COMMISSION
CLERK

4/2

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

May 14, 2004

F. Marshall Deterding, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Re: Return of Confidential Document to the Source, Docket No. 021256-WU

Dear Mr. Deterding:

Commission staff have advised that Confidential Document No. 05028-04, filed on behalf of Farnton Water Resources, LLC can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Kay Flynn".

Kay Flynn, Chief
Bureau of Records

KF:mhl
Enclosure

cc: Jennifer A. Rodan, Office of the General Counsel
Pat Brady, Division of Economic Regulation

SIGNED FOR BY DATE 5-27-04
Darin Putnam

Matilda Sanders

From: Janice Banka
Sent: Monday, May 24, 2004 11:30 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Date and Time: 5/24/2004 11:28:00 AM
Docket Number: 021256-WU
Filename / Path: 021256\021256hrnotice.kef.doc
Notice Type: Hearing

Notice of Hearing.

Number of pages in Notice - 3.

Thanks "J"

NH/W.
34/8

32 } Volusia
Brevard public aff.

Marguerite Lockard

From: Janice Banka
Sent: Monday, June 07, 2004 2:15 PM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

Date and Time: 6/7/2004 2:13:00 PM
Docket Number: 021256-WU
Filename / Path: 021256\021256notice.doc
Notice Type: Memo for Issuance

Notice of Informal Meeting.

Thanks "J"

8/4

Marguerite Lockard

0589-PHO

From: Janice Banka
Sent: Thursday, June 10, 2004 12:16 PM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

23

Date and Time: 6/10/2004 12:15:00 PM
Docket Number: 021256-WU
Filename / Path: 021256/021256phorder.kef.doc
Order Type: Signed / Hand Deliver

RECEIVED-PPSC
JUN 10 PM 1:32
COMMISSION
CLERK

Prehearing Order.

Number of pages in order - 23.

Thanks "J"

I called -
6-mailed

State of Florida



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: May 26, 2004

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Services, Division of the Commission Clerk and Administrative Services

RE: DOCKET NO. 021256-WU, SERVICE HEARING HELD 05/13/04

RE: APPLICATION FOR CERTIFICATE TO PROVIDE WATER SERVICE IN VOLUSIA AND BREVARD COUNTIES BY FARMTON WATER RESOURCES, LLC.

DOCUMENT NO.: 05862-04, 05/21/04

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, ECR

Acknowledged BY:

A handwritten signature in black ink, appearing to be "JF/rjm", written over a horizontal line.

JF/rjm

State of Florida



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: May 26, 2004

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Services, Division of the Commission Clerk and Administrative Services

RE: DOCKET NO. 021256-WU, PREHEARING HELD 05/17/04

RE: APPLICATION FOR CERTIFICATE TO PROVIDE WATER SERVICE IN VOLUSIA AND BREVARD COUNTIES BY FARMTON WATER RESOURCES, LLC.

DOCUMENT NO.: 05809-04, 05/20/04

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, ECR

Acknowledged BY:

A handwritten signature in black ink, appearing to read "Ruth P. Bayo", written over a horizontal line.

JF/rlm

Kay Flynn

021256-wu

To: Ruth McHargue
Subject: RE: WATER

Thanks.

-----Original Message-----

From: Ruth McHargue
Sent: Tuesday, June 22, 2004 1:12 PM
To: Kay Flynn
Cc: Diana Falise
Subject: FW: WATER

This appears to be protest to docket number 021256

-----Original Message-----

From: PSCREPLY
Sent: Monday, June 21, 2004 9:32 AM
To: Ruth McHargue
Subject: FW: WATER

-----Original Message-----

From: gebbie77@netzero.net [mailto:gebbie77@netzero.net]
Sent: Saturday, June 19, 2004 3:16 PM
To: PSCREPLY
Subject: WATER

DEAR PUBLIC SERVICE COMMISSIONERS;

I SINCERELY HOPE THAT YOU WILL NOT GRANT ANYONE THE RIGHT TO SELL VOLUSIA'S NATURAL RESOURCE ---WATER. AS YOU ALL VERY WELL KNOW , OUR WATER RESOURCES ARE LIMITED , AND THE LAST THING THE CITIZENS OF FLORIDA NEED IS SOME CORPORATION TO START PUMPING AND SELLING OUR WATER, FOR MILLIONS OF DOLLARS. IT SEEMS TO ME THAT THE PUBLIC SERVICE COMMISSION WAS CREATED TO ENSURE THAT THE PUBLIC WOULD BE PROTECTED FROM CORPORATE RAIDERS. LETS KEEP OUR WATER SUPPLY PUBLIC! JUST DON'T FORGET THAT YOU ARE SUPPOSED TO REPRESENT THE PEOPLE OF FLORIDA AND DO WHAT IS IN THEIR BEST INTERESTS REGARDLESS OF ALL THE DEALS THAT WILL BE PROPOSED TO YOU.

SINCERELY YOURS, WALTER W. GEBHARDT



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: July 8, 2004

TO: Blanca S. Bayó, Director, Division of the Commission Clerk and Administrative Services

FROM: Jane Faurot, Chief, Office of Hearing Reporter Services, Division of the Commission Clerk and Administrative Services

RE: DOCKET NO. 021256-WU, HEARING HELD 06/22/04.

RE: APPLICATION FOR CERTIFICATE TO PROVIDE WATER SERVICE IN VOLUSIA AND BREVARD COUNTIES BY FARMTON WATER RESOURCES, LLC.

DOCUMENT Nos: 07204-04, 07/01/04 - Volume 1
07205-04, 07/01/04 - Volume 2
07206-04, 07/01/04 - Volume 3
07207-04, 07/01/04 - Volume 4

The transcript for the above proceedings has been completed and is forwarded for placement in the docket file, including attachments.

Please note that Staff distribution of this transcript was made to:

LEGAL, ECR

Acknowledged BY:

A handwritten signature in cursive script, appearing to read "Tanelia C. [unclear]".

JF/rlm



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: July 26, 2004

TO: Blanca Bayó, Director, Commission Clerk and Administrative Services

FROM: Jane Furot, Chief, Office of Hearing Reporter Services

RE: DOCKET NO. 021256-WU, HEARING HELD 06/22-23/04.

Attached for filing are Exhibits 1 through 42, representing a complete filing of the exhibits identified and admitted into the record during the proceedings held in the above docket.

Acknowledged BY:



JF/rlm

CCA Official Filing

7/29/2004 12:58 PM*****58 PM*****

Matilda Sanders*****1

Matilda Sanders

021256-WU

From: Stephanie Snyder [ssnyder@co.volusia.fl.us]
Sent: Thursday, July 29, 2004 11:11 AM
To: Filings@psc.state.fl.us
Cc: Stephanie Snyder
Subject: PSC Docket No. 021256WU (Farmton)

If you can not view attached document, please contact Margie Helton at 386-736-5950 X2948 or via e-mail mhelton@co.volusia.fl.us

Kay Flynn

021256 wu

From: Denise Karnes

Sent: Friday, September 03, 2004 9:37 AM

To: Alina Dieguez; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Braulio Baez; Bridget Hoyle; Carol Purvis; Cayce Hinton; Charles Davidson; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Eileen Patrick; Hurd Reeves; J. Terry Deason; Jane Faurot; Janet Brunson; Janet Harrison; JoAnn Chase; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Lila Jaber; Manuel Arisso; Martha Golden; Mary Bane; Mary Macko; Norma Jenkins; Pat Dunbar; Patsy White; Richard Tudor; Rick Melson; Roberta Bass; Rudy Bradley; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tarik Noriega; Tim Devlin; Veronica Washington

Subject: Items of Interest at Upcoming Agenda Conference, 9/7/04

A news release was sent to the daily newspapers yesterday afternoon, and is available on the PSC web site:

<http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=-2147483339>



State of Florida
Public Service Commission
NEWS RELEASE

September 2, 2004

Contact: 850-413-6482

Items of Interest at Upcoming Agenda Conference, 9/7/04

TALLAHASSEE — The following items are among those scheduled for consideration by the Commission at the September 7, 2004, Agenda Conference.

ITEM 5 - DOCKET NO. 981079-SU – APPLICATION FOR AMENDMENT OF CERTIFICATE TO EXTEND SERVICE TERRITORY IN PASCO COUNTY BY HUDSON UTILITIES, INC., AND REQUEST FOR LIMITED PROCEEDING. The Commission will review a motion by the Office of Public Counsel to initiate a show cause proceeding against Hudson Utilities, Inc. for failure to serve the Sea Pines area within a reasonable time.

ITEM 11 - DOCKET NO. 040914-EI – PROPOSED REVISION TO WAIVE CERTAIN CONNECTION CHARGES DURING TIMES OF NATURAL DISASTER BY FLORIDA POWER & LIGHT COMPANY.

DOCKET NO. 040915-EI – PETITION FOR APPROVAL OF TARIFF REVISION ALLOWING WAIVER OF SERVICE CHARGES FOR CUSTOMERS AFFECTED BY NATURAL DISASTERS BY PROGRESS ENERGY FLORIDA, INC.

DOCKET NO. 040958-EI – PETITION FOR EXPEDITED APPROVAL OF TARIFF REVISIONS TO ALLOW WAIVER OF SERVICE CHARGES FOR CUSTOMERS WHOSE ELECTRIC SERVICE HAS BEEN AFFECTED BY NATURAL DISASTERS OR OTHER DECLARED EMERGENCIES, BY TAMPA ELECTRIC COMPANY. The Commission will address petitions for approval of tariff revisions that would allow for waiver of certain connection and other charges filed by Florida Power & Light Company, Progress Energy Florida, Inc., and Tampa Electric Company in response to the devastation caused by Hurricane Charley.

ITEM 12 - DOCKET NO. 031033-EI – REVIEW OF TAMPA ELECTRIC COMPANY'S 2004-2008 WATERBORNE TRANSPORTATION CONTRACT WITH TECO TRANSPORT AND ASSOCIATED BENCHMARK. The Commission will evaluate a staff recommendation regarding Tampa Electric Company's current contract with TECO Transport and the reasonableness of its associated benchmark.

ITEM 16 - DOCKET NO. 021256-WU – APPLICATION FOR CERTIFICATE TO PROVIDE WATER SERVICE IN VOLUSIA AND BREVARD COUNTIES BY FARMTON WATER RESOURCES LLC. The Commission will address a staff recommendation regarding issues associated with Farmton Water Resources LLC's application to provide retail potable, fire protection, and bulk raw water service in Volusia and Brevard Counties.

###

Website - <http://www.floridapsc.com>
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Tarik Noriega
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



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

SEP 14 PM 12:19

COMMISSION
CLERK

Public Service Commission

September 13, 2004

Ms. Mary Lee Cook
222 W. Ariel Road
Edgewater, FL 32141

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

Dear Ms. Cook:

Thank you for your letters of January 24, 2003 and July 8, 2004 in support of Farmton's application for an original water certificate. Staff certainly appreciates you taking the time to express your views.

As you may be aware, a hearing was held on June 22 and 23, 2004, in Tallahassee, Florida. Staff filed a post-hearing recommendation on August 26, 2004, which is scheduled for Commission vote at the September 21, 2004 Agenda Conference. Since the matter has been to hearing, discussion at agenda will be limited to the Commission and staff. However, the public is always welcome to attend any agenda conference. Once the Commission has voted, a final order will be prepared and issued within 20 days.

A copy of staff's recommendation is available on the Commission's website at www.psc.state.fl.us or by contacting the Commission Clerk at (850) 413-6770. In the same manner, you may obtain a copy of the order once it is issued. If you have any further questions or concerns, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Katherine E. Fleming".

Katherine E. Fleming

cc: Division of Economic Regulation (Daniel, Brady, Rieger)
Division of the Commission Clerk and Administrative Services

Kay Flynn

021256-WU

From: Denise Karnes

Sent: Friday, September 17, 2004 10:53 AM

To: Alina Dieguez; Allen Mortham; Beth Salak; Betty Ashby; Bev DeMello; Blanca Bayo; Bob Trapp; Braulio Baez; Bridget Hoyle; Carol Purvis; Cayce Hinton; Charles Davidson; Chuck Hill; Cindy Miller; Dan Hoppe; Della Fordham; Diane Lee; Dorothy Boone; Eileen Patrick; Hurd Reeves; J. Terry Deason; Jane Fautot; Janet Brunson; Janet Harrison; JoAnn Chase; Kathleen Stewart; Katrina Tew; Kay Flynn; Kay Posey; Kevin Bloom; Larry Harris; Lila Jaber; Manuel Arisso; Martha Golden; Mary Bane; Mary Macko; Norma Jenkins; Pat Dunbar; Patsy White; Richard Tudor; Rick Melson; Roberta Bass; Rudy Bradley; Sandy Moses; Sharon Allbritton; Steven Stolting; Susan Howard; Tarik Noriega; Tim Devlin; Veronica Washington

Subject: Items of Interest at Upcoming Agenda Conference, 9/21/04

A news release was sent to the daily newspapers throughout Florida this morning, 9/17/04, and is now available on the PSC web site: <http://www.psc.state.fl.us/general/news/pressrelease.cfm?release=-2147483337>

9/17/2004



State of Florida
Public Service Commission
NEWS RELEASE

September 17, 2004

Contact: 850-413-6482

Items of Interest at Upcoming Agenda Conference, 9/21/04

TALLAHASSEE — The following items are among those scheduled for consideration by the Commission at the September 21, 2004, Agenda Conference.

ITEM 10 - DOCKET NO. 981079-SU – APPLICATION FOR AMENDMENT OF CERTIFICATE TO EXTEND SERVICE TERRITORY IN PASCO COUNTY BY HUDSON UTILITIES, INC., AND REQUEST FOR LIMITED PROCEEDING. The Commission will review a motion by the Office of Public Counsel to initiate a show cause proceeding against Hudson Utilities, Inc. for failure to serve the Sea Pines area within a reasonable time.

ITEM 12 - DOCKET NO. 030851-TP – IMPLEMENTATION OF REQUIREMENTS ARISING FROM FEDERAL COMMUNICATIONS COMMISSION'S TRIENNIAL UNE REVIEW: LOCAL CIRCUIT SWITCHING FOR MASS MARKET CUSTOMERS.

DOCKET NO. 030852-TP – IMPLEMENTATION OF REQUIREMENTS ARISING FROM FEDERAL COMMUNICATIONS COMMISSION'S TRIENNIAL UNE REVIEW: LOCATION-SPECIFIC REVIEW FOR DS1, DS3 AND DARK FIBER LOOPS, AND ROUTE-SPECIFIC REVIEW FOR DS1, DS3 AND DARK FIBER TRANSPORT. The Commissioners will evaluate a staff recommendation addressing whether these dockets should be closed and whether the Public Service Commission should prepare summaries of the records in these dockets to forward to the Federal Communications Commission.

ITEM 18 - DOCKET NO. 040914-EI – PROPOSED REVISION TO WAIVE CERTAIN CONNECTION CHARGES DURING TIMES OF NATURAL DISASTER BY FLORIDA POWER & LIGHT COMPANY.
DOCKET NO. 040915-EI – PETITION FOR APPROVAL OF TARIFF REVISION ALLOWING WAIVER OF SERVICE CHARGES FOR CUSTOMERS AFFECTED BY NATURAL DISASTERS BY PROGRESS ENERGY FLORIDA, INC.

DOCKET NO. 040958-EI – PETITION FOR EXPEDITED APPROVAL OF TARIFF REVISIONS TO ALLOW WAIVER OF SERVICE CHARGES FOR CUSTOMERS WHOSE ELECTRIC SERVICE HAS BEEN AFFECTED BY NATURAL DISASTERS OR OTHER DECLARED EMERGENCIES, BY TAMPA ELECTRIC COMPANY. The Commission will address petitions for approval of tariff revisions that would allow for waiver of certain connection and other charges filed by Florida Power & Light Company, Progress Energy Florida, Inc., and Tampa Electric Company in response to the devastation caused by Hurricane Charley.

ITEM 19 - DOCKET NO. 031033-EI – REVIEW OF TAMPA ELECTRIC COMPANY'S 2004-2008 WATERBORNE TRANSPORTATION CONTRACT WITH TECO TRANSPORT AND ASSOCIATED BENCHMARK. The Commission will evaluate a staff recommendation regarding Tampa Electric Company's current contract with TECO Transport and the reasonableness of its associated benchmark.

ITEM 29 - DOCKET NO. 021256-WU – APPLICATION FOR CERTIFICATE TO PROVIDE WATER SERVICE IN VOLUSIA AND BREVARD COUNTIES BY FARMTON WATER RESOURCES LLC. The Commission will address a staff recommendation regarding issues associated with Farmton Water Resources LLC's application to provide retail potable, fire protection, and bulk raw water service in Volusia and Brevard Counties.

###

Website - <http://www.floridapsc.com>
Kevin Bloom, Director, Office of Public Information
Additional Press Contact: Tarik Noriega
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



OFFICE OF THE GENERAL COUNSEL
RICHARD D. MELSON
GENERAL COUNSEL
(850) 413-6199
SEP 22 AM 10:44

COMMISSION
CLERK

Public Service Commission

September 21, 2004

Walter W. Gebhardt
823 E 22nd Ave
New Smyrna Beach, FL 32169-3515

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

Dear Mr. Gebhardt:

Thank you for your email dated June 19, 2004, in which you object to Farmton's application for an original water certificate. Staff certainly appreciates you taking the time to express your views.

As you may be aware, a hearing was held on June 22 and 23, 2004, in Tallahassee, Florida. Staff filed a post-hearing recommendation on August 26, 2004, and the Commission voted to approve staff's recommendation on September 21, 2004. A final order will be prepared and issued within 20 days of the Commission vote.

A copy of staff's recommendation is available on the Commission's website at www.psc.state.fl.us or by contacting the Commission Clerk at (850) 413-6770. In the same manner, you may obtain a copy of the order once it is issued. If you have any further questions or concerns, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Katherine E. Fleming".

Katherine E. Fleming

cc: Division of the Commission Clerk and Administrative Services
Division of Economic Regulation (Daniel, Brady, Rieger)

CCA Official Filing

10/8/2004 11:49 AM*****

Matilda Sanders*1

Matilda Sanders

0980 - FOF

From: Janice Banka
Sent: Friday, October 08, 2004 11:50 AM
To: CCA - Orders / Notices
Subject: Order / Notice Submitted

40

Date and Time: 10/8/2004 11:48:00 AM
Docket Number: 021256-WU
Filename / Path: 021256/021256or2.kef.doc

Final Order Granting Certificate No. 622-W to Farmton Water Resources, LLC, and Setting Initial Rates and Charges.

Number of pages in order - 41.

Thanks "J"

14+ clerk.

Clerks,
Volusia +
Brevard
Counties

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

STATE OF FLORIDA



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

October 20, 2004

Jon Wheeler, Clerk
First District Court of Appeals of Florida
301 South Martin Luther King Boulevard
Tallahassee, Florida 32399

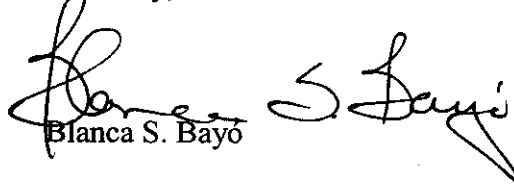
**Re: City of Titusville vs. Florida Public Service Commission, et al.,
(Docket No. 021256-WU)**

Dear Mr. Wheeler:

Enclosed is a certified copy of a Notice of Administrative Appeal of Order No. PSC-04-0980-FOF-WU, filed in this office on behalf of City of Titusville, filed October 15, 2004.

It is our understanding that the index of record is due to be served on the parties to this proceeding on or before December 4, 2004.

Sincerely,


Blanca S. Bayó

BB:mhl
I:/Appeals/noatodca.wpd
Enclosure

cc: David M. Caldevilla, Esquire
David E. Smith, Esquire
Scott L. Knox, Esquire
William J. Bosch, III, Esquire
John Wharton, Esquire

de la PARTE & GILBERT
PROFESSIONAL ASSOCIATION
ATTORNEYS AT LAW

ORIGINAL

VIVIAN ARENAS
DAVID M. CALDEVILLA*
RONALD A. CHRISTALDI*
TRAVIS J. COY
EDWARD P. de la PARTE, JR.
L. DAVID de la PARTE
DAVID D. DICKEY
CHARLES R. FLETCHER
RICHARD A. GILBERT**
DANIEL J. MCBREEN
PATRICK J. McNAMARA
NICOLAS Q. PORTER
PATRICIA A. ZAGAMI
K. PRISCILLA ZAHNER
KELLY A. ZARZYCKI

* BOARD CERTIFIED APPELLATE LAWYER
* BOARD CERTIFIED IN BUSINESS LITIGATION LAW
† BOARD CERTIFIED CIVIL TRIAL LAWYER
* BOARD CERTIFIED IN HEALTH LAW

By Federal Express

October 14, 2004

101 E. KENNEDY BLVD.
SUITE 3400
POST OFFICE BOX 2350
TAMPA, FLORIDA 33601-2350
(813) 229-2775
FACSIMILE (813) 229-2712
FOUNDER
LOUIS A. de la PARTE, JR.

RECEIVED-FPSC
01 OCT 15 AM 10:15
COMMISSION
CLERK

Blanca Bayo, Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: *In Re: Application of Farnton Water Resources LLC for original Water Certificate in Volusia and Brevard Counties, Florida, PSC Docket No. 021256-WU*

City of Titusville v. Farnton Water Resources LLC, et al., Fla. 1st DCA Case No. _____; PSC Docket No. 021256-WU

Dear Ms. Bayo:

IP _____ This firm represents the City of Titusville in the above-referenced matter. Enclosed are an original
IM _____ and two copies of the following: (1) Notice of Administrative Appeal; and (2) Titusville's Directions to
R _____ Agency Clerk. Please file the original set in the PSC file, forward one of set of copies to PSC Staff, and
date stamp the second set of copies and return it to me in the enclosed self-addressed stamped envelope.

DR _____ In accordance with the applicable rules, we have forwarded a copy of these documents, along with
CL _____ the filing fee, to the First District Court of Appeal. Please call me if you have any questions or comments.

PC _____
MS _____
CA _____
CR _____

RECEIVED & FILED

Sincerely,


FPSC-BUREAU OF RECORDS

de la PARTE & GILBERT, P.A.


David M. Caldevilla 913 229 2770

SEC _____ Enclosures
DTH McC Counsel of record (by mail)

DOCUMENT NUMBER-D44

11114 OCT 15 4
Notice of Appeal

DOCUMENT NUMBER-D44
11115 OCT 15 70
Directions to Agency Clerk
FPSC-COMMISSION CLERK

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

CITY OF TITUSVILLE, a)
municipal corporation)
of the State of Florida,)

Petitioner/Appellant,)

vs.)

FARMTON WATER RESOURCES)
LLC, et al.,)

Respondents/Appellees.)

PSC Docket No. 021256-WU

Fla. 1st DCA Case No. _____

RECEIVED-FPSC
OCT 15 AM 10:15
COMMISSION
CLERK

NOTICE OF ADMINISTRATIVE APPEAL

NOTICE IS GIVEN that Petitioner/Appellant City of Titusville, a municipal corporation of the State of Florida, appeals to the Florida First District Court of Appeal the order of this agency rendered on October 8, 2004, a copy of which is attached as "Exhibit A." The nature of the order is a final order granting Respondent/Appellee Farmton Water Resources, LLC's application for an original water certificate to operate a water utility in Volusia and Brevard Counties.

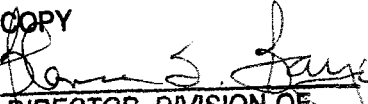
Respectfully submitted,



Edward P. de la Parte, Jr., FBN 236950
Patrick McNamara, FBN 699837
David M. Caldevilla, FBN 654428
Charles Fletcher, FBN 0093920
de la PARTE & GILBERT, P.A.
Post Office Box 2350
Tampa, Florida 33601-2350
Telephone: (813) 229-2775
Counsel for City of Titusville

A TRUE COPY

ATTEST


DIRECTOR, DIVISION OF
COMMISSION CLERK AND

DOCUMENT NUMBER-DATE

11114 OCT 15 05

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. Mail to the following on October 14, 2004:

Scott L. Knox, Esquire
Office of Brevard County Attorney
2725 Judge Fran Jamieson Way
Viera, FL 32940
**Counsel for Petitioner
Brevard County**

William J. Bosch, III, Esquire
Office of Volusia County Attorney
123 West Indiana Avenue
DeLand, FL 32720-4613
**Counsel for Petitioner
Volusia County**

Jennifer A. Rodan, Esq.
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
**Counsel for Florida Public
Service Commission**

John Wharton, Esquire
F. Marshall Deterding, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, FL 32301
**Counsel for Respondent Farmton
Water Resources, LLC**


David M. Caldevilla

cc: Clerk, Fla. 1st DCA

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for certificate to provide water service in Volusia and Brevard Counties by Farmton Water Resources LLC. DOCKET NO. 021256-WU
ORDER NO. PSC-04-0980-FOF-WU
ISSUED: October 8, 2004

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY

APPEARANCES:

F. MARSHALL DETERDING, ESQUIRE, and JOHN L. WHARTON, ESQUIRE, Rose, Sundstrom & Bentley, LLP, 2548 Blairstone Pines Drive, Tallahassee, Florida 32301
On behalf of Farmton Water Resources LLC

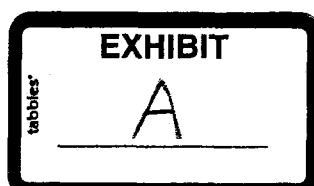
PATRICK J. MCNAMARA, ESQUIRE, de la Parte & Gilbert, P.A., Post Office Box 2350, Tampa, Florida 33601-2350
On behalf of the City of Titusville, Florida

SCOTT KNOX, ESQUIRE, Office of the County Attorney, 2724 Judge Fran Jamieson Way, Viera, Florida 32940
On behalf of Brevard County

WILLIAM J. BOSCH, ESQUIRE, County of Volusia Legal Department, 123 West Indiana Avenue, DeLand, Florida 32720-4613
On behalf of Volusia County

KATHERINE E. FLEMING, ESQUIRE, MARTHA C. BROWN, ESQUIRE, and JENNIFER A. RODAN, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission

FINAL ORDER GRANTING CERTIFICATE NO. 622-W



DOCUMENT NUMBER-DATE
10879 OCT-8 8
FPSC-COMMISSION CLERK

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 2

TO FARMTON WATER RESOURCES LLC,
AND SETTING INITIAL RATES AND CHARGES

BY THE COMMISSION:

BACKGROUND

On December 20, 2002, Farmton Water Resources LLC (Farmton or utility) filed an Application for an Original Certificate to Provide Water Service in Volusia and Brevard Counties pursuant to section 367.031, Florida Statutes, and Rule 25-30.033, Florida Administrative Code. Volusia County (Volusia), Brevard County (Brevard), and the City of Titusville (Titusville) objected to the application, asserting that there is no need for service in the proposed service area, that the application is inconsistent with local comprehensive plans, and that the service proposed by the utility is exempt from our jurisdiction.

The service hearing on this matter was held on May 13, 2004, in New Smyrna Beach, Florida. A Prehearing Conference was held on May 17, 2004, in Tallahassee, Florida. The technical portion of the administrative hearing was held on June 22-23, 2004, in Tallahassee, Florida. The proposed service territory, as modified, consists of 50,000 acres, of which 10,000 acres are in Brevard County and 40,000 are in Volusia County. According to Farmton, there is no development currently planned for the proposed service territory. The utility will serve the Miami Tract Hunt Club, the Miami Corporation, and the Clark Cattle Station located within the proposed service territory. Farmton's Application seeks a certificate for retail potable, fire protection, and bulk raw water service.

STIPULATIONS

The following stipulations reached by the parties, noting that Volusia, Brevard, and Titusville took no position, are reasonable and are hereby accepted as set forth below.

1. Farmton has provided evidence that it has continued use of the land upon which the utility treatment facilities are or will be located.
2. Return on equity shall be based on the current leverage graph formula in effect at the time of the Commission vote in this proceeding.
3. The Allowance for Funds Used During Construction (AFUDC) shall be based on the current leverage graph formula in effect at the time of the Commission vote in this proceeding.

COMMISSION JURISDICTION

The Florida Public Service Commission (PSC or the Commission) has exclusive, preemptive jurisdiction over private water and wastewater utilities under chapter 367, Florida Statutes. As section 367.011, Florida Statutes, provides:

* * *

- (2) The Florida Public Service Commission shall have exclusive jurisdiction over each utility with respect to its authority, service, and rates.
- (3) The regulation of utilities is declared to be in the public interest, and this law is an exercise of the police power of the state for the protection of the public health, safety, and welfare. The provisions of this chapter shall be liberally construed for the accomplishment of this purpose.
- (4) This chapter shall supersede all other laws on the same subject, and subsequent inconsistent laws shall supersede this chapter only to the extent that they do so by express reference. This chapter shall not impair or take away vested rights other than procedural rights or benefits.

Farnton argues that the language of section 367.011 is very clear, and the courts have repeatedly interpreted our regulatory jurisdiction over private utilities as broad, exclusive and preemptive. See, for example, Hill Top Developers v. Holiday Pines Service Corp., 478 So. 2d 368, 371 (Fla. 2d DCA 1985) (power and authority of the Public Service Commission is preemptive); Florida Power Corp. v. Seminole County, 570 So. 2d 105, 107 (Fla. 1991) ("While the authority given to cities and counties in Florida is broad, both the constitution and statutes recognize that cities and counties have no authority to act in areas that the legislature has pre-empted."). We, too, have interpreted our jurisdiction this way. In Order No. PSC-92-0104-FOF-WU, issued March 27, 1992, in Docket No. 910114-WU, In Re: Application of East Central Florida Services, Inc. for an original certificate in Brevard, Orange, and Osceola Counties, a case that is factually similar to this case, we found that our jurisdiction pursuant to section 367.011 preempted the local governments' claim to control the service area and certification process of a private water and wastewater utility.

The law on this issue is well-settled, and the local government intervenors appear to agree that section 367.011 provides this Commission jurisdiction over the certification of private utilities, but the intervenors still claim that other laws provide indirect local governmental control over certification as well. Brevard argues that under section 153.53(1), Florida Statutes,¹ a water

¹ Section 153.53 provides:

(1) Subject to this law, the board of county commissioners of any county may establish one or more districts as it shall in its discretion determine to be necessary in the public interest. Any such district shall consist of only unincorporated contiguous areas of such county, comprising part but not all of the areas of such county. As used herein, "unincorporated areas" shall mean all lands outside of the incorporated boundaries of towns, cities, or other municipalities of the state whether existing under the general law or special act and shall include any lands, areas, or

and sewer district created by county commissions has the authority to consent to construction of a water system within the district pursuant to section 153.86, Florida Statutes.² Brevard contends that we cannot grant Farmton a certificate in this case because Farmton failed to apply for Brevard's water district's approval for construction of facilities and thus Farmton cannot meet the certification requirements in section 367.045, Florida Statutes. Titusville and Volusia also acknowledge our jurisdiction, but they argue we are constrained in our exercise of that jurisdiction by the requirement of section 367.045(5)(b), Florida Statutes, which requires us to consider compliance with local comprehensive plans when we grant a service area. Titusville argues that we should decline jurisdiction over Farmton, given the nature of Farmton's proposal, the exemptions available, and the local comprehensive plans. Volusia contends that the Legislature intended the certification process to be a cooperative effort when land use issues or matters of particular concern to local governments are raised in certification proceedings.

None of these arguments effectively addresses the exclusive and preemptive language of section 367.011. While section 153.53, Florida Statutes, gives a local water and sewer district authority to approve construction of a water system within the district, that statute does not restrict our certification authority. It deals with construction of facilities, not certification of a utility service area. Section 367.011(4), Florida Statutes, clearly states that this chapter supersedes all other laws on the same subject. Chapter 153, Florida Statutes, was enacted before chapter 367, Florida Statutes, and is therefore expressly superseded as a limitation on our authority to regulate private utilities. Brevard's attempt to invoke section 153.53, Florida Statutes, in creating a requirement for local government approval prior to certification is not contemplated either by the plain language of section 367.011, Florida Statutes, or by the certification requirements of section 367.045, Florida Statutes. Similarly, Titusville's and Volusia's attempt to limit our certification authority by invoking section 367.045(5)(b), Florida Statutes, is misplaced. Section 367.045(5)(b) also provides that "the commission shall consider, but is not bound by, the local comprehensive plan of the county or municipality." See, City of Oviedo v. Clark, 699 So. 2d 316, 318 (Fla. 1st DCA 1997), where the court said:

We hold that the PSC correctly applied the requirements of section 367.045(5)(b). The plain language of the statute only requires the PSC to consider the comprehensive plan. The PSC is expressly granted discretion in the decision of whether to defer to the plan.

property within the district of any special tax districts, school district, or any other public corporations or bodies politic of any nature whatsoever, except municipalities.

² Section 153.86 provides:

No sewage disposal plant or other facilities for the collection and treatment of sewage or any water treatment plant or other facilities for the supply and distribution of water, shall be constructed within any district unless the district board shall give its consent thereto and approve the plans and specifications therefor; subject, however, to the terms and provisions of any resolution authorizing any bonds and agreements with bondholders.

Based on the provisions of chapter 367, Florida Statutes, court decisions, and prior Commission orders, we find that we have exclusive preemptive jurisdiction over the certification of private utilities.

FARMTON NOT EXEMPT FROM COMMISSION JURISDICTION PURSUANT TO
SECTION 367.022, FLORIDA STATUTES

Farmton's application proposes to provide retail potable water service, fire protection service, and bulk raw water service. The intervenors have argued that the proposed retail potable water service, bulk raw water service, and fire service would be exempt under section 367.022, Florida Statutes, which sets out exemptions from our jurisdiction. In particular, section 367.022 provides a exemptions for:

* * *

- (6) Systems with capacity or proposed capacity to serve 100 or fewer persons.

* * *

- (12) The sale for resale of bulk water supplies of water or the sale or resale of wastewater services to a governmental authority or to a utility regulated pursuant to this chapter either by the commission or the county.

Titusville contends that Farmton's proposed retail potable water service is exempt because section 367.022(6) specifically exempts systems with the capacity or proposed capacity to serve 100 or fewer persons. Rule 25-30.055, Florida Administrative Code, defines service of 100 or fewer persons as a capacity, excluding fire flow capacity, of no greater than 10,000 gallons per day. Titusville also contends that Farmton is exempt from our jurisdiction pursuant to section 367.022(12) and Rule 25-30.055 because Farmton does not have a contract or commitment from any entity to provide bulk water service and the potential customers that Farmton has identified are government entities. Titusville further contends that Farmton's proposed fire service is not in the public interest and that Miami Corporation, the property owner, can provide itself fire protection without our certification.

Farmton responds that section 367.022(6), which provides that systems with the capacity or proposed capacity to serve 100 or fewer persons are exempt from Commission jurisdiction, does not apply to its application because its proposed potable water service exceeds this minimum. Farmton also asserts that its proposed fire service is not exempt from our jurisdiction since section 367.022 makes no specific reference to an exemption related to fire service. Farmton further contends that its proposed bulk water service is not exempt from our jurisdiction because section 367.022(12) only provides an exemption for the sale or resale of bulk supplies of water to a governmental authority. Farmton states that while its original calculation of proposed bulk facilities was premised upon a potential for service to Titusville, Farmton's witnesses also provided examples of additional types of bulk raw water service to non-governmental entities that would not be exempt.

According to Witness Hartman, the capacity of the retail potable water wells is estimated to be 118,000 gallons per day. Rule 25-30.055(1), Florida Administrative Code, provides:

A water or wastewater system is exempt under section 367.022(6), Florida Statutes, if its current or proposed water or wastewater treatment facilities and distribution or collection system have and will have a capacity, excluding fire flow capacity, of no greater than 10,000 gallons per day or if the entire system is designed to serve no greater than 40 equivalent residential connections (ERCs).

Based on Mr. Hartman's testimony that Farmton will have the capacity to provide 118,000 gallons per day, Farmton has the proposed sufficient capacity to serve 472 ERCs, pursuant to Rule 25-30.055. Therefore, the utility's retail potable water service is not exempt from Commission jurisdiction. Witness Hartman also provided examples of types of bulk raw water service that the utility could serve that would not be exempt from Commission jurisdiction, such as the Osceola County fire district station, industrial customers, and Bell Ridge mobile home park. Section 367.022, Florida Statutes, does not provide a specific exemption for fire protection. Furthermore, it is our practice to grant one certificate for the provision of all classes of water service, and we often grant a certificate and approve tariffs for services that will not be immediately used. As we stated in East Central:

Indeed, it is common for this Commission to grant an original water certificate and approve rates for services for which there is no present, quantifiable need, but which may be in demand at a future time. Numerous utilities have approved tariffs with general service rates and/or multi-residential rates even though the utility's current customer base is residential only. Some have approved tariffs with residential rates even though the utility serves only general service customers. The granting of a certificate to provide water service in a territory does not imply that the certificate is issued for any specific class of service.

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 7

Farmton's application proposes retail potable water service, fire protection service, and bulk raw water service. The intervenors have not shown that these services are exempt under section 367.022, Florida Statutes. Since Farmton's proposed retail potable water service is not exempt from Commission jurisdiction, we find that Farmton is not exempt pursuant to the provisions of chapter 367, Florida Statutes.

NEED FOR SERVICE

Section 367.045(1)(b), Florida Statutes, requires an examination of the need for service in the requested area, and Rule 25-30.033(1)(e), Florida Administrative Code, requires an applicant for an original certificate to provide a statement showing the need for service in the proposed area. The modified application reflects a proposed territory which includes approximately 10,000 acres in Brevard County and 40,000 acres in Volusia County.

While the City of Titusville and Brevard and Volusia Counties have taken the position that there is no need for service, Farmton believes that it has adequately outlined the current and future needs for potable water, fire flow, and bulk water services. The City of Titusville points out that for retail service, Farmton failed to obtain or present evidence to support its position, and that it camouflaged the lack of scientific study or basis by concocting a series of confusing assumptions to attempt to create the appearance of need. The potential customers for bulk raw water are identified as government utilities, which would be exempt pursuant to section 367.022(12), Florida Statutes. For fire service, Titusville points out that Miami Corporation is the sole owner of the property, and it is unnecessary for a landowner, through a subsidiary, to charge itself for fire protection service. Brevard County believes that the utility's request is excessive and that it failed to provide evidence to support a need for potable water service on the 10,000 acres within Brevard County. Volusia County believes that the testimony and exhibits in this case are noticeably lacking in substantial competent evidence regarding a clear need for service in this area because the area is an unpopulated wilderness without need for such services at this time or into the reasonably foreseeable future.

As reflected in the utility's application, the proposed service area boundaries, which include approximately 50,000 acres within the counties of Volusia and Brevard, are generally contiguous with the property boundaries of its parent company, Miami Corporation. Farmton indicated that the existing and proposed retail potable service is and will be provided to customers across the proposed service area. The area includes commercial uses such as corporate headquarters, single family homes, and recreational buildings.

Farmton is seeking this certificate in part for long-range planning purposes to allow it to be prepared to provide service as and when needed to any residential, commercial or industrial development in the area. In order to manage the resources properly, Farmton witness Underhill believes that a certificate is necessary to control the withdrawal of water so that overpumping would not result in salt water intrusion and ruin the groundwater below the Farmton property.

Currently Farmton has three retail service customers that include the Miami Tract Hunt Club, the Miami Corporation, and the Clark Cattle Station. The retail potable water treatment facilities will be located near the proposed customers. The utility received a letter from Miami Hunt Club Inc. requesting service for its 260 member hunt club. Mr. Underhill testified that currently there has been no agreement reached to extend the hunting lease between the Miami Corporation and the 261 family members Miami Tract Hunt Club beyond May of 2006. Four campgrounds are planned with twenty-five campsites each. Mr. Underhill indicated that as the need expands, the utility would be prepared to meet the needs. He believes that there are significant needs that are already existing for potable water service. Although it is unclear what the future needs will be within the territory, Mr. Underhill states that there are absolutely no current plans by the landowner for further development, and, as such, no plans for substantial changes in the number of persons receiving potable water service. He states that there are places in and surrounded by the proposed territory that may, in the near future, require or request potable water service. He suggested that there is likely to be a transition from the silviculture operations towards residential, commercial, and industrial development of properties. In order to properly plan for the future, he believes that setting up a utility when those needs arise would not only be less efficient and ultimately more costly to customers, it would fragment the water resource management for the water demands within the area. While explaining various other needs for water service, Farmton witness Hartman stated that it is a tremendous benefit if water is provided for the health, safety, and welfare of the area. Mr. Hartman and Mr. Underhill both testified that there has been a customer request for water service from the Bell Ridge campgrounds, an enclave not owned by the Miami Corporation, which has 100 units.

The fire protection service will also be provided across the Miami Corporation property. With two existing wells, the total facilities necessary for the provision of the fire protection water supply will consist of the development and construction of 10 fire protection wells. The utility believes that these wells will enhance the fire fighting capabilities for Miami Corporation. Mr. Underhill recognized that when the existing fire wells were installed by Miami Corporation, a PSC certificate was not needed. However, he believes that a PSC certificate is necessary as part of the overall package of putting together all the needs and managing the resources properly.

The bulk raw water will be needed to supply non-potable water outside of the proposed service area. The utility believes that even though entities outside of the service area do not wish to be included in the service area at this time, the planning and development of Farmton will place the utility in the position to provide bulk raw water for their use in the future. Farmton anticipates that nearby water utilities will be in need of additional bulk raw water. This is because water supply forecasts from the St. Johns River Water Management District (SJRWMD) indicate that resources may be stressed and alternative water supplies may be needed. Mr. Underhill believes that it is apparent that the bulk raw water need will increase as urban areas approach the area. Although there have been discussions with the City of Titusville, Mr.

Underhill agreed that there are no contracts with Titusville or with any governmental or private entity.

Brevard witnesses Martens and Scott both testified that there is currently no existing or planned residential or commercial development proposed in the certificated area applied for by Farmton. Mr. Martens indicated that Brevard County has thousands of self-service potable water supply wells and he does not see that such facilities generate the need for a utility. Titusville witness Grant also testified that there is no need for potable water service because much of the existing needs in the proposed service area can be met with the existing water supply sources and infrastructure and additional potable water demands based on future growth described in the application are purely speculative. Grant indicated that she works closely with each of the public water utilities in northern Brevard County, and is not aware of any presently existing demand for bulk water in the region.

Mr. Underhill believes that the intervenors' statements that the service is not currently needed are clearly wrong in that there is demand for several types of service within the territory. Mr. Hartman also disagreed with witness Grant about her statement that there is no need for a utility in this area. There are requests for service in the proposed area for a public water utility, and an investor-owned utility that offers raw, fire protection, and potable water services provides many benefits for the area. Using East Central as an example, he provided a summary in which raw, fire, and potable water service are provided and the significant public benefit which was derived from those services. He stated that raw water resources have been a significant and not a speculative need in the Titusville water service area for 20 years. Neither the City of Cocoa nor Brevard County has offered to meet the raw water needs for Titusville. A component of Farmton's application serves the regional need for raw water in an appropriate fashion while allowing for proper water resource stewardship. The SJRWMD witness Burklew testified that Titusville has applied to modify its existing consumptive use permit (CUP). Mr. Hartman believes that the fact that Farmton has offered to assist and help Titusville with its raw water supply problems is a positive way to facilitate the appropriate and responsible development of water resources.

Volusia witness Marwick testified that the south-central portion of Volusia County has never been included within any of the groundwater simulation models used by either the SJRWMD or the Volusia Water Alliance (Volusia County). However, she also indicated that if there is any need for service, Volusia County through the Water Authority of Volusia (WAV), will incorporate the area and its water supply demands into the regional water supply plan. WAV was created in 2003 to oversee the management of Volusia County's water supply. However, Mr. Hartman believes that as long as Farmton's service area contains the impacts of water withdrawals within the service area, then the importance of the Farmton area being included in a simulation model is not great, but is rather informational to update those models.

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 10

SJRWMD witness Burklew testified that the SJRWMD has not received an application for a CUP from Farmton. At the hearing, he agreed with the premise that a utility must be certificated by this Commission prior to obtaining a CUP.

Mr. Underhill testified that until such time as there are customers for whom the construction of water facilities would be needed, there is no reason for Farmton to apply for water management district (WMD) permits. He indicated that the utility will certainly do so as soon as requests for services are made. He reaffirms that it does not change the fact of Farmton's need to plan for the provision of such services and for the appropriate, efficient, and effective management with the least environmental and resource impacts. He believes that Farmton is in the best position to do that. He points out that section 367.031, Florida Statutes, specifically provides that a utility should obtain a PSC certificate before it obtains a CUP.

We believe that the utility's application complies with section 367.045(1)(b), Florida Statutes, which requires an examination of the need for service in the requested area. This is consistent with our practice in dealing with a large service area owned by a single entity. In East Central, we stated:

We are concerned with the size of the proposed certificated territory in this case, some 300,000 acres, and the configuration of the facilities within that territory. Clearly, the need for service is not pervasive throughout the territory. This concern, however, is not cause to deny certification. We do not think it is in the public interest at this time to carve up a vast territory, which is all owned by one entity, so as to certificate only scattered portions thereof. Instead, we forewarn ECFS that pursuant to Section 367.111(1), Florida Statutes, we may delete any part of a utility's certificated territory, whether or not there has been a demand for service, within five years of authorizing that service.

Therefore, in consideration of the foregoing, we find that there is a need for water service in the proposed certificated territory.

Order No. PSC-92-0104-FOF-WU, at pp. 20-21

Based on the record, we find that there appears to be a need, although limited, for potable water service, fire protection service, and bulk service in the proposed service area; however, it is not known when all forms of service will be required. Though the evidence shows that the need for service is not pervasive throughout the territory, when considering all three services, we believe that the utility has proven that the need exists in both Brevard and Volusia Counties. Consistent with our finding in East Central, it is not in the public interest to carve up the Farmton territory, which is owned by the utility's parent company, and certificate only a portion of the territory.

COMPREHENSIVE PLANS

Section 367.045(4), Florida Statutes, provides that notwithstanding the ability to object on any other ground, a county or municipality has standing to object on the ground that the issuance of a certificate violates established local comprehensive plans developed pursuant to chapter 163, Florida Statutes. Section 367.045(5)(b), Florida Statutes, provides that, if an objection is made, we shall consider, but are not bound by, the local comprehensive plan of the county or municipality. Although Farnton's position is that its application is consistent with the Volusia and Brevard County comprehensive plans, the other parties, including the staff witness representing the Department of Community Affairs (DCA), take the position that the application is inconsistent with the comprehensive plans.

Farnton witness Landers testified that chapter 367, Florida Statutes, supersedes chapter 163, with respect to the regulation of privately owned utilities. He testified that a PSC application would never be inconsistent with a comprehensive plan because the definition of development pursuant to section 380.04, Florida Statutes, contained in chapter 163, Florida Statutes, and the county comprehensive plans, does not define a PSC service territory as development. Therefore, the creation of a PSC regulated water utility and designation of a service territory is not development subject to comprehensive plan regulation. He testified that the comprehensive planning process is a tool to manage, not prohibit, growth and development. Each county has a comprehensive plan that sets forth rules on how a landowner or developer can develop land and those plans can be amended pursuant to chapter 163, Florida Statutes. The development process includes a number of approvals that are required to meet the specifics of a particular development and, in most cases, having a central water system is a prerequisite to having a substantial commercial or residential development. Filing an application with the Commission is the correct first step in the process. He also testified that a PSC certificate does not, in itself, stimulate development or create any impacts on natural resources.

Brevard County Comprehensive Plan

Brevard County's position is that Farnton's application is inconsistent with its comprehensive plan because Farnton has not applied for the approval of the County Commission in either its capacity as governing body of the County or the Brevard County Water and Sewer District. Policy 3.4 of the Potable Water Element of the Brevard County Comprehensive Plan provides that newly proposed service areas, expanding restricted service areas, or PSC regulated service areas must be reviewed and approved by Brevard County, and Farnton has not sought that approval. Ordinance No. 03-032, which was created pursuant to chapter 153, Florida Statutes, provides that the Brevard County Water and Sewer District makes the determination as to whether to approve the construction of a water or sewer system.

Brevard County's comprehensive plan contains several objectives that address urban sprawl. Objective 4 recognizes the importance of protecting agricultural land because the

industry benefits the economy, reduces the extent of urban sprawl and the costs of providing public facilities and services, provides environmental benefits, and provides open space and visual beauty. Objective 5 of the comprehensive plan states that Brevard County shall maximize the use of existing facilities to discourage urban sprawl.

Brevard witnesses Martens and Scott testified that potable water service should not be extended into agricultural areas of Brevard unless the Board of County Commissioners has a chance to discuss the potential land use implications and deems it to be in the public interest. Mr. Scott also testified that it is inefficient to attempt to provide centralized potable water service in an area that can only be used for agriculture. The granting of a certificated area to provide water services in an agricultural area could set up an attempt at leapfrog development unless the system were limited to providing bulk raw water to other retail water providers in areas outside of the proposed certificated area.

Witness Scott testified that the utility's application for a certificate is not in violation of Brevard's comprehensive plan, but he believes that Brevard needs to review a proposed Commission regulated service territory and deem it consistent with its comprehensive plan prior to us granting approval. However, witness Scott is not aware of any violation of the comprehensive plan case law in regards to what Farnton proposes. He agrees that there are certain development planning advantages for large tracts of land owned by single landowners.

Farnton witness Landers agreed with the concept that from a planning standpoint, urban sprawl is undesirable. However, he disagreed with the premise that a central water system in a nonurban, rural, forested, uninhabited area would be the first step towards urban sprawl. He believes that urban sprawl occurs largely because of fragmented land ownership and the first step to urban sprawl has already been taken by allowing residential development to occur on small acreage. This is supported by DCA technical memos on the subject. He believes that it is the large land owners, like Farnton, who have the potential to best manage their property.

Mr. Landers testified that the Brevard County policy on water service areas provides that although Brevard is not permitted to extend services into the agricultural areas, Brevard will accept facilities and provide utilities in agricultural areas. This policy does not prohibit others from establishing districts through which water service can be provided; in fact, it actually establishes a mechanism through which they can do so. It appears to him that these rules provide support for establishment of water service territories rather than absolutely prohibiting them. While he maintains that we have ultimate jurisdiction over the granting of a water service territory, this would appear to establish basic grounds for Farnton to establish a water service territory. Therefore, it is Mr. Landers' opinion that Farnton's request is consistent with those provisions of the Brevard County Comprehensive Plan because a water service territory, in and of itself, is neither a land use nor development as defined by Florida's planning statutes and rules, and any development that would require or greatly benefit from central water service can be pursued and potentially implemented. Mr. Landers states that the Brevard witnesses suggest

that the land use plan can be amended to allow other uses than those currently allowed on any property. To him, this reference identifies a right that all land owners have under Florida's Growth Management statutes and rules, a right to seek an amendment to the Comprehensive Plan. It is Mr. Landers' opinion that designation of a water services territory will not in and of itself generate sprawl and that the Brevard plan contains numerous anti-sprawl policies, as required by chapter 163, Florida Statutes. Using East Central, as an example, he argues that a properly pursued and approved amendment to the future land use map would not constitute sprawl.

Farmton witness Hartman stated that Brevard County's referenced comprehensive plan policy could be appropriate if Brevard County has taken back jurisdiction from the Commission and if the applicant was solely in Brevard County. However, since the application is a multi-county application, Mr. Hartman maintains that this portion of the policy statement does not apply. If Farmton wishes to establish its service area, it is fully capable of doing so through the same process. Mr. Hartman believes that we have exclusive authority to certificate water utilities and not Brevard County, especially when there is a multi-county utility involved.

Volusia County Comprehensive Plan

Volusia County's position is that Farmton's application is inconsistent with the guiding goals, policies, and objectives of Volusia's comprehensive plan, including the Future Land Use Element. Volusia's major concern is unplanned or harmful urban growth in areas not contiguous to existing urban areas and the preservation of its natural resources.

Volusia witnesses Thomson and Marwick stated that the proposed application to establish a water utility is inconsistent with the comprehensive plan for Volusia County, and that the policies in the plan limit the provision of water and sewer service to urban future land use designations except for limited circumstances where a bona fide threat to the health, safety, and welfare can be established or if the comprehensive plan is amended to change the land use designation. The Future Land Use Plan Categories that encompass the area in the Farmton application do not include urban land use. The land use designations within Farmton's proposed service territory are Environmental System Corridor (ESC), Forestry Resource (FR), and Agricultural Resource (AR). The witnesses testified that central water service is not required for nonurban areas and, to date, Volusia has not considered any changes to its plan to establish urban land uses within the Farmton service area to justify the creation of a utility. Furthermore, the witnesses point out that the application does not address a need that could be considered consistent with the plan. These land use designations are not intended to support uses which will require an extensive, central water service system as proposed by Farmton.

Witness Thomson agreed that comprehensive plans can be modified over time. Although designating a service area would not impact natural resources, the action to do so would be inconsistent with the plan under chapter 163. Mr. Thomson agreed that Volusia would not lose

any of that authority and that our certification does not have any force or effect over any development proposal. However, it would play into the decision making process. In reference to urban sprawl, Mr. Thomson points out, that there is no strict definition of sprawl, although under the Department of Community Affairs Rule 9J-5, Florida Administrative Code, there are seven categories or indicators of urban sprawl. Mr. Thomson did not agree that the Volusia County service area was inconsistent with the comprehensive plan because of interlocal agreements with municipalities to provide service to unincorporated areas. He acknowledged that as far as he knew, Volusia has never taken any action against a utility that proposed to receive a certificate from this Commission. Also, he agreed that large tracts of land being owned by single landowners provide positive opportunities for planning purposes.

It is Farmton Witness Landers's opinion that the future land use element is not as restrictive as claimed, and that significant uses that would benefit from central water services are permitted under the plan. These provisions of the land use element do not prohibit the establishment of a water service territory as regulated by the Commission, and the establishment of a water service territory is not, in and of itself, a "land use" or "development" as defined by the Volusia County Comprehensive Plan or State Statute. The use of a residential Planned Unit Development (PUD) is consistent with the ESC, FR, and AR land use categories. Therefore, development that would require and could be supported by central water service is permitted in the Volusia County comprehensive plan upon Farmton's lands.

According to Witness Landers, the Volusia County comprehensive plan identifies a right that all land owners have under Florida's growth management statutes and rules to seek an amendment to the comprehensive plan. The fact that Farmton is the owner of a very large tract of currently rural land provides a very special land management opportunity that has been recognized by the State of Florida. Witness Landers believes that Farmton's ownership and proposed water utility provides an opportunity to manage a land and water resource in order to preserve the rural, environmental and agricultural resources as desired by Volusia County while providing a sound basis for such innovative development as rural villages or new towns. He believes that the resulting preservation of environmentally sensitive areas is consistent with the goals of Volusia's comprehensive plan, as well as consistent with the rural land planning strategy that DCA lays out in its Technical Memos and later actions concerning urban sprawl.

Witness Landers argued that chapter 163 does not enable local governments to regulate private utility certificated service areas through the comprehensive planning process. He also argued that the Planned Development Cluster provision for lands in Volusia County's plan contradicts Witness Thomson's assertions on this topic. He believes that this is due to the fact that Volusia County has determined all areas not within another governmental utility service area as its service area. It is clear to him that being in the Volusia service area does not mean that Volusia would actually serve the area. There is no classification in the land use or zoning for a PSC certificated territory. Therefore, Mr. Landers believes a certificate by itself should not

constitute "development" in Volusia County, and that Farmton is proceeding in proper order with the initial authority for certifying a water service territory with the Commission.

Farmton witness Underhill stated that both the comprehensive plan and water supply plan are documents that are regularly reviewed to reflect changes to growth patterns and demand as part of responsible planning. He notes that since water is an essential prerequisite to development it would seem that planning for water resources prior to anyone requesting a PUD, DRI, or other change, would be a logical step to ensure availability of water as and when needed.

DCA witness James testified that the DCA believes that the utility's proposal is inconsistent with several goals, objectives, and policies of Volusia and Brevard Counties and the City of New Smyrna Beach Comprehensive Plans. She points out that the utility services are proposed in an area that is completely rural with some of these areas containing natural resources that are environmentally sensitive, and the proposed services may result in urban sprawl development patterns. At the hearing, witness James agreed that the granting of a PSC certificate was not inconsistent with the comprehensive plans of Brevard and Volusia Counties, and that it was not development or land use. She indicated that her concern was that a certificate could be part of a possible domino-effect that could lead to a certain type of development even though the counties would retain the power and authority of comprehensive plan enforcement. In reference to urban sprawl and its effect on the environment, she had no knowledge of any case where the granting of a certificate led directly to urban sprawl or harmed the environment.

Mr. Hartman stated that, in his experience, there is no correlation between a PSC certificate and urban sprawl or that the utility element of the Comprehensive Plan under chapter 9J-5, would preclude certification in and of itself. In reference to the countywide service areas, to his knowledge the countywide generalized service area has not had an impact on other entities as they may expand or modify their utility service areas.

Summary

Based on the evidence, we believe that Farmton's request to provide water service in the proposed service territory appears to be inconsistent with portions of the Brevard County comprehensive plan. Policy 3.4 of the Brevard County comprehensive plan provides that newly proposed service areas, expanding restricted service areas, or PSC regulated service areas must be reviewed and approved by Brevard County. The Brevard County witness testified that Farmton's application is not inconsistent with the comprehensive plan, but also testified that the County must review and approve Farmton's proposal prior to this Commission granting approval. The testimony is not clear whether that provision contemplates that Brevard needs to review a proposed PSC regulated service territory and deem it consistent with Brevard's comprehensive plan prior to our approval. Assuming that Brevard County is the authority on the provisions of its comprehensive plan, the granting of a PSC certificate to Farmton prior to

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 16

Brevard County reviewing and approving the Farmton proposal appears to be inconsistent with the Brevard County's comprehensive plan.

With respect to the Volusia County comprehensive plan, the policies in the plan limit the provision of water and sewer service to urban future land use designations except for limited circumstances where a bona fide threat to the health, safety, and welfare can be established or if the comprehensive plan is amended to change the land use designation. The land use categories that encompass the area in the Farmton application include Environmental System Corridor (ESC), Forestry Resource (FR), and Agricultural Resource (AR), none of which are considered urban areas. Therefore, Farmton's application appears to be inconsistent with the portion of the Volusia County plan that limits the provision of water service to urban areas.

We believe, however, that consistent with our finding in East Central, the planning process, as detailed in the comprehensive plans for Brevard and Volusia Counties, does not supersede our authority pursuant to section 367.011, Florida Statutes. In East Central, we said:

Section 367.011(1), Florida Statutes, states that this Commission has exclusive jurisdiction over each utility with respect to its authority, service, and rates. Section 367.011(4), Florida Statutes, states that Chapter 367 supersedes all other laws on the same subject and that subsequent inconsistent laws shall supersede Chapter 367, Florida Statutes, only to the extent they do so by express reference. Chapter 163 does not make express reference to Chapter 367. Section 163.3211, Florida Statutes, specifically states, 'Nothing in this act is intended to withdraw or diminish any legal powers or responsibilities of state agencies or change any requirement of existing law that local regulations comply with state standards or rules.'

In consideration of the above, we do not think that ECFS's certification is inconsistent with Chapter 163.

Order No. PSC-92-0104-FOF-WU, at p. 26

The evidence presented clearly shows that a county's control over development is not reduced with the issuance of a certificate. The counties' hands are not tied when it comes to enforcement of their own comprehensive plans if and when rezoning is needed. Our certification does not deprive the counties of any authority they have to control urban sprawl on the Farmton properties. This includes Brevard County's right to maximize the use of existing facilities to discourage urban sprawl and the use of Ordinance No. 03-032 to approve the construction of a water or sewer system, and Volusia County's concerns over the construction of water facilities in nonurban areas. Therefore, we find that the issuance of a PSC certificate does not result in urban sprawl or harm to the environment.

In conclusion, although Farnton's application or our granting of a certificate to Farnton appears to be inconsistent with provisions of the Brevard and Volusia County comprehensive plans, pursuant to Section 367.045(5)(b), Florida Statutes, in light of the evidence presented in this case, that inconsistency shall not cause us to deny the utility's application. City of Oviedo, 699 So. 2d at 318.

COMPETITION WITH OR DUPLICATION OF FACILITIES

Pursuant to section 367.045(5)(a), Florida Statutes, we may not grant a certificate of authorization for a proposed system which will be in competition with, or duplication of, any other system or portion of a system, unless we first determine that such other system or portion thereof is inadequate to meet the reasonable needs of the public or that the person operating the system is unable, refuses, or neglects to provide reasonably adequate service. Section 367.021(11), Florida Statutes, defines "system" as facilities and land used and useful in providing service.

Farnton believes that there is little evidence that the creation of a utility will be in competition with, or duplication of any system operated by the three local governments. Although there was testimony that local governments might be able to provide service to the Farnton properties in the future, we have held that we cannot determine whether a proposed system will be in competition with or a duplication of another system when such other system does not exist. Brevard County believes that it has facilities that can provide service to the Miami Corporation property and any utility, including the Brevard County utilities department, can provide the limited type of service required by the one campsite in Brevard County. Titusville points out that Farnton never requested service from any of the surrounding local governmental entities and that bulk service will be duplicative with Titusville's planned bulk facility. Volusia County suggests that if Farnton's application is approved, it would create a situation where Volusia County and Farnton were both legally designated as the service providers, creating competition and confusion. It would also create a duplication of service, as Volusia is able, authorized, and expected to eventually extend its existing system through the adjacent City of Edgewater.

Titusville provides water service within five miles of Farnton. Brevard County is within two miles and Volusia County via the City of Edgewater is less than one mile from the proposed Farnton territory.

Farnton witness Hartman testified that no other system serves the proposed area, and it is his opinion that the proposed utility will not be in competition with or duplicate the services of any other water utility system. Even if there were such systems in the area, the existence of the facilities owned by Farnton currently providing those services would mean that service by any other entity would be a clear duplication of Farnton's existing service, and would be extremely inefficient.

Brevard County witness Martens testified that the County Commission has enacted an ordinance that requires any water provider or supplier to obtain the consent of the County Commission to construct facilities. Farmton has not sought consent under this provision. Martens contends that if Farmton were to build a water treatment facility, it would be a duplication of the Brevard system at the Mims plant, to the extent that the Mims Plant has excess capacity. In reference to Titusville's proposed raw water lines from a wellfield in northern Brevard County duplicating county services, he pointed out that the district has acknowledged Titusville's application to construct. Mr. Martens did indicate that Brevard County has been exceeding its consumptive use permit (CUP) with the SJRWMD for more than two years. He did not think that Brevard had an obligation to serve the unincorporated areas of the county, although it has a right to do so under the comprehension plan consideration. Mr. Martens agreed that if facilities were already in place at Farmton, Brevard's proposal to provide service would be a duplication of service. He also indicated that it is customary for the developer to build the facilities and dedicate them to the county for operation and maintenance.

Mr. Hartman points out that Brevard County does not provide either raw water service, fire protection service, or potable water service to the proposed certificate area. In addition, Brevard has not provided facilities, costs, specific plans, nor included the area within Brevard's active utility operations area. Farmton's proposed service area is outside of the established North Brevard water system service area and therefore would not use such capacity. He notes that Brevard County has not planned for and has not developed the cost of service to provide services for Farmton customers, and that the Farmton area and development of water resources does not adversely impact Brevard's existing water system or the expansions planned by Brevard. He believes that Mr. Martens has not testified that Brevard County could or would have facilities to serve countywide or to serve systems that are not planned for at this time by county utilities.

Witness Grant testified that Titusville is well positioned to meet the potable water needs of any communities in the vicinity of its service area that are not served by Brevard or another municipality. However, the urbanizing areas of northern Brevard County, that are not in the City of Titusville's service area, are in the Brevard County service area. Titusville does not have plans to expand its service area in the near term, because there is not an unmet need for potable water service in northern Brevard County at the present time. She points out that if a need for potable water supplies developed in that area, Titusville is in a very good position to meet those needs. Brevard County would also be in a good position to supply the need in the proposed service area in northern Brevard County. Titusville and Brevard have a history of working cooperatively to ensure that water supply needs are met. She believes that when a need arises, Titusville and Brevard will work cooperatively with any developers to determine which utility can best meet the water supply needs and reach an appropriate agreement. Titusville has a CUP application pending with the SJRWMD for the construction of a wellfield in northern Brevard County. Ms. Grant stated that Titusville's application does not ask to increase pumping; however, it does identify another wellfield from which Titusville can draw water. She indicated

that Titusville also purchases potable water from the City of Cocoa. Given its excess water treatment plant capacity, she believed that it would be cheaper for Titusville to obtain raw water rather than its current arrangement with Cocoa.

Mr. Hartman points out that Titusville's water treatment plant is several miles away and would require a costly duplication of pipelines for service, and such service could not be as efficient or effective as service provided by Farmton. In addition, Brevard County does not have the Water Use Permit capacity or facilities to provide the services currently needed.

Farmton witness Drake notes that Titusville's service area does not include the Farmton area. He pointed out that Ms. Grant's statement that Titusville will meet all its projected needs, is contradicted by the fact that it has applied to the SJRWMD for a new wellfield in order to meet projected demands. Mr. Drake does not agree that Titusville is in a good position to meet the potable water needs of northern Brevard County, which includes the Farmton area. He believes that it is unlikely that Titusville could provide potable water at a reasonable cost to customers in northern Brevard County when the potable water would have to be pumped from Titusville's plant, versus it being pumped and treated locally. The proposal to meet the needs for water service in this area would therefore be very costly, many times the costs which service by Farmton would entail.

In reference to Titusville's SJRWMD application status, it is Mr. Drake's opinion that Farmton would be the far superior provider of water because it has significantly more land area in which to develop groundwater supplies, and has a vested interest in limiting adverse impacts to its lands, wetlands and silviculture operations. This includes the permitted wetland mitigation banks that are on the property.

Volusia County witness Marwick testified that while the Miami Corporation has not demonstrated a need for a potable water distribution system and treatment facilities, if such a need is ever demonstrated, Volusia utilities, through WAV, is prepared to serve the area. However, she did state that Volusia County requires developers to provide and dedicate potable water and wastewater systems within any new development to Volusia County.

Mr. Hartman suggests that Farmton's water use would be contained primarily on-site and would not impact any of Volusia's systems. The City of Edgewater would not be impacted and the cones of influence would not overlap. Volusia County does not have a system in its southeastern area of the county, and the closest county system is over 10 miles away. Volusia County also does not have any plans for service to the Farmton area. Mr. Hartman stated that the Brevard and Volusia County ordinances and their active utility service areas do not apply in this case. Mr. Hartman points out that while witnesses from Brevard, Titusville, and Volusia have suggested their ability to provide service as and when there is need to this area, none proposed to provide the raw water, fire protection or potable water service to Farmton. None have planned to

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 20

serve the area, none have the availability to serve the area, and none have budgeted to serve the area.

In East Central, we addressed the issue of competition or duplication of proposed systems, stating:

We cannot determine whether a proposed system will be in competition with or a duplication of another system when such other system does not exist. We do not believe Section 367.045(5)(a), Florida Statutes, requires this Commission to hypothesize which of two proposed systems might be in place first and, thus, which would compete with or duplicate the other. Engaging in such speculation would be of little use.

Order No. PSC-92-0104-FOF-WU, at p. 22

Based on the testimony provided by Brevard and Volusia County, and the City of Titusville, those entities do not have existing facilities within the proposed Farnton service territory. Although Volusia County indicated that it is prepared to serve the Farnton territory if a need is demonstrated, no testimony was provided to show that it has the capacity or plans to do so. The nearest Brevard County water facility, Mims, is two miles away, but is exceeding its CUP. Titusville's service area is five miles away from Farnton's proposed service area. In addition, none of the intervenors adequately addressed the need for raw water, fire protection, or retail potable water service. When considering the three services, we believe that the utility has shown that it can best provide the required water service in its proposed service territory in both Brevard and Volusia Counties. Miami Corporation is already providing a limited amount of water to the hunt club as well as several other Miami Corporation facilities.

While both Volusia and Brevard Counties testified that they would serve or have a right to provide water service throughout each of their respective counties, these statements of intent are insufficient to demonstrate that Farnton's proposal would be in competition with, or duplication of those systems. Consistent with our findings in East Central, since the intervenors have not demonstrated that they have existing facilities in place to serve Farnton, we find that the utility's application complies with section 367.045(5)(a), Florida Statutes, in that it will not be in competition with, or duplication of any other system.

FINANCIAL ABILITY

Section 367.045(1)(b), Florida Statutes, and Rule 25-30.033(1)(e), Florida Administrative Code, require a statement showing the financial ability of the applicant to provide service. Farnton believes it has demonstrated its financial ability to serve. Titusville and Brevard believe that Farnton has not. Volusia has taken no position.

According to Farmton's application, Farmton is a limited liability corporation, incorporated in Delaware on February 26, 2002, and registered to do business in Florida on March 20, 2002. Because Farmton is a limited liability corporation, it has no corporate officers or directors. Farmton's application further states that Farmton Management LLC is its sole member and owner. Farmton Management LLC is owned by the Miami Corporation, which has owned and managed the land and water resources in Farmton's proposed service area for over 75 years.

In its application, Farmton indicated that because it cannot receive utility revenue from existing customers until this Commission approves its rates and charges, there is no detailed balance sheet, statement of financial condition, or operating statement available for Farmton. Instead, Farmton filed financial statements for Farmton Management LLC which indicate that Farmton Management LLC had \$1,247,917 of member capital as of March 31, 2004.

The original financial statement for Farmton Management LLC was accompanied by an affidavit from Farmton Management LLC which indicated that it will provide or assist Farmton in securing necessary funding to meet all reasonable capital needs and any operating deficits on an as and when needed basis. Since Farmton Management LLC's assets come from its member's capital, our staff requested that Farmton provide a similar pledge of financial support from the Miami Corporation. Farmton Witness Underhill provided an affidavit to that effect. Mr. Underhill is Vice President of Operations for Farmton. He has also been Director of Operations of the Farmton property for the Miami Corporation for the last 25 years. Mr. Underhill further testified that the basis for his position that the Miami Corporation has the ability to provide for any of Farmton's capital needs is the value of the land which Miami Corporation owns free and clear. In addition, Mr. Underhill testified that Farmton has no expectations of any need for capital improvements, as there is no anticipated development of any significance within the proposed service territory. The only possibility of significant capital expenditures is for bulk raw water services. However, under Farmton's proposed service availability policy, a substantial amount of the capital cost will be paid by the proposed customer. Mr. Underhill believes that if any additional capital costs exist, those costs can easily be met from funding provided by Farmton's parent.

In its Brief, Farmton stated that none of the intervenors provided any evidence at hearing in support of the position that Farmton has not established financial ability. In its Brief, Titusville did not factually dispute that Farmton had financial ability. Instead, Titusville argued that Farmton's filing on financial ability was deficient because:

- (1) Farmton did not provide a detailed financial statement required by Rule 25-30.033(1)(r), Florida Administrative Code, even though it has been in existence for over a year;
- (2) Rule 25-30.033(1)(r), Florida Administrative Code, does not allow for the substitution of a parent's financial statement for that of the utility;

- (3) The one page summary of Farmton Management LLC's assets and liabilities is not sufficiently detailed to make a determination of financial ability; and
- (4) The affidavits of support provided by Farmton's parents are not competent evidence because they are hearsay and not enforceable.

In support of Titusville's argument that the one page summary of the assets and liabilities of Farmton's parent company is not sufficiently detailed for us to determine whether Farmton, or its parent, has the financial ability to operate the water systems proposed in the application in a safe and reliable manner, it cited Order No. PSC-01-0992-PAA-WU, issued April 20, 2001, in Docket No. 001049-WU, In Re: Application for original water certificate in Charlotte County by Little Gasparilla Water Utility, where we conducted a detailed review of a recent tax return, balance sheet, and profit and loss statement.

The requirement for a showing of financial ability for Farmton's application falls under Rule 25-30.033(1)(e), Florida Administrative Code, not Rule 25-30.033(1)(r), Florida Administrative Code. With respect to the detailed financial statement required by Rule 25-30.033(1)(r), Farmton's application contained a statement that it has no detailed balance sheet, statement of financial condition, or operating statement because it cannot charge for service until we approve its rates and charges. Although at least one fiscal year has passed since Farmton was established, Farmton's authority to charge for service is still pending before us.

With respect to the substitution of a parent's financial statement for that of the utility, it has been our practice to accept a statement of the parent's financial ability in original certificate cases where the utility has not yet established a financial history.³ In addition, we have traditionally recognized the vested interest of a parent in the financial stability of the utility.⁴ Farmton provided a statement of assets and liabilities of Farmton Management LLC which indicated that the parent has sufficient assets, without debt, to cover over half of the capital cost of constructing the utility facilities. In addition, Witness Underhill testified that the value of the land, which Miami Corporation owns free and clear, should demonstrate that it has the financial ability to provide for any of Farmton's capital needs.

³ See, Order No. PSC-02-0179-FOF-WS, issued February 11, 2002, in Docket No. 010859-WS, In re: Application for original certificate to operate water and wastewater utility in Sumter County by North Sumter Utility Company, L.L.C., and Order No. PSC-01-1916-FOF-WS, issued September 24, 2001, in Docket No. 990696-WS, In re: Application for original certificates to operate a water and wastewater utility in Duval County and St. Johns Counties by Nocatee Utility Corporation

⁴ See, Order PSC-03-0787-FOF-WS, issued July 2, 2003, in Docket No. 020991-WS, In re: Application for transfer of majority organizational control of Service Management Systems, Inc., holder of Certificates Nos. 517-W and 450-S in Brevard County, from Petrus Group, L.P. to IRD Osprey, LLC d/b/a Aquarina Utilities, and Order PSC-03-0518-FOF-WS, issued April 18, 2003, in Docket No. 020382-WS, In re: Application for transfer of facilities and Certificate Nos. 603-W and 519-S in Polk County from New River Ranch, L.C. d/b/a River Ranch to River Ranch Water Management, LLC.

Rule 25-30.033(1)(e) is silent on the specific information necessary for a showing of financial ability. In the order cited by Titusville, the evidence of financial ability was a corporate tax return along with a balance sheet and profit and loss statement for a utility that was already in existence and charging rates. As previously stated, Farmton has provided an explanation why it does not yet have a financial statement.

In its brief, Titusville asserts that the affidavits of Farmton's parent companies are not competent evidence of a commitment to provide financial support to Farmton. Therefore, Titusville asserts that the affidavits cannot be used as evidence of the matters asserted in the documents because hearsay evidence cannot be considered except to corroborate other non-hearsay evidence. Titusville argues that Farmton failed to offer any non-hearsay evidence of financial commitments by its parent companies. The affidavits corroborate Farmton Witness Underhill's testimony at the hearing. Mr. Underhill, employed by Miami Corporation as the Director of Operations for Farmton, provided testimony that Farmton does have the financial ability to provide service and stated that Farmton Management, LLC has ample resources to fund the utility's needs and has pledged to do so.

As noted, Brevard's position is that Farmton Water Resources, LLC is a limited liability company with no directors or officers and it has produced no financial statements or tax returns. The only evidence on financial ability is a third party's representation that Farmton would receive financial backing. We agree with Brevard that Farmton is a limited liability company. With respect to Brevard's remaining statements, we believe that they have been addressed above.

Based upon the financial statement provided for Farmton Management LLC, the pledges of financial support by Farmton's parent and grandparent, and the corporate longevity and holdings of the Miami Corporation, we find that Farmton has demonstrated the financial ability to serve the requested territory.

TECHNICAL ABILITY

Section 367.045(1)(b), Florida Statutes, and Rule 25-30.033(1)(e), Florida Administrative Code, require a utility applying for an original certificate to provide information showing that it has the technical ability to provide service in the area requested. Technical ability usually refers to the utility's operations and management abilities, and whether it is capable of providing service to the development in question.

Farmton witnesses Underhill, Drake, and Hartman testified that Farmton has the technical ability to provide the service proposed in its application. In addition to Mr. Underhill's extensive experience in managing water resources and knowledge of those issues, the services of Hartman & Associates, as consulting engineers, and other regulatory experts will be enlisted to assist in operating the utility. The same personnel who have operated the water facilities for many years in the past will continue to operate those in the future, simply working for the utility instead of

the landowner. The utility will employ competent, experienced persons in utility areas for those purposes. Farmton believes that since there was no evidence to the contrary, we should find that it has sufficient technical ability to serve the requested territory.

Titusville believes that there is not competent substantial evidence that Farmton has the technical ability to operate the utility in a manner that will provide safe and reliable water service. According to the evidence, Farmton's only experience is with agricultural operations. It has no experience with the types of potable water facilities identified in the application. Farmton's vice president of operations has no experience managing a public water utility. Pursuant to Ordinance 03-032, Brevard County believes that by failing to apply to the District board for consent and construction plan approval, we cannot find that Farmton has the technical ability to provide potable water service. Volusia County takes no position.

The utility has represented that it will employ competent, experienced persons for the technical purposes of operating a utility. With the continued services of Hartman and Associates, coupled with the existing experience of the Farmton employees, we see no indication that a high level of technical ability cannot be maintained by the utility. Also, as previously stated, certification does not deprive the counties of any authority. This includes Brevard County's use of Ordinance No. 03-032 to approve the construction of a water or sewer system. We have no reason to believe that the utility will not adhere to that ordinance when it is appropriate for it to do so. Therefore, we find that the utility has the existing and potential technical ability to serve all the needs of the requested territory. This is consistent with our decisions in other original certificate applications.⁵

PLANT CAPACITY

Farmton believes that the application and the testimony of its witnesses clearly demonstrate that it has sufficient capacity in the existing or proposed facilities, and that there was no evidence to the contrary. According to Farmton's application, the retail potable water treatment facilities will be located near the proposed customers. One existing well will be used for retail service and six will be constructed. The facilities necessary for the provision of the fire protection water supply will consist of two existing, and the development and construction of 10 additional, fire protection wells. The utility believes that these wells, which will be strategically located throughout the service area, will enhance the fire fighting capabilities for Miami Corporation. During Phase I, the utility plans for the development and construction of seven bulk raw water supply wells and the associated equipment and water transmission mains. Eight additional water supply wells will be constructed during Phase II. The bulk raw water service will consist of pumping water from wells and delivering it to the entities in need of such water

⁵ PSC-02-0179-FOF-WS, issued February 11, 2002, in Docket No. 010859-WS, In re: Application for original certificate to operate a water and wastewater utility in Sumter County by North Sumter Utility Company, L.L.C.; PSC-96-0124-FOF-WU, issued January 24, 1996, in Docket No. 950120-WU, In re: Application for certificate to provide water service in Manatee and Sarasota Counties by Braden River Utilities, Inc.

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 25

for treatment to potable drinking water standards. Farmton anticipates that nearby water utilities will be in need of additional bulk raw water. Farmton witnesses Drake and Hartman contend that the application and supporting documents reflect that Farmton has the capacity to serve all of the needs for existing services and are in the best position to obtain additional capacity needed for the other proposed services.

Titusville points out that Farmton has requested this Commission to certificate a 50,000 acre territory. However, the wells proposed are small and not interconnected, and therefore will not provide sufficient capacity to serve the territory. Brevard County believes that there is no dispute that Brevard County has enacted Ordinance 03-32 creating a water and sewer district, and that Farmton has not applied to the District for consent to construct facilities. Volusia County took no position in the matter.

We find Farmton's position persuasive. Mr. Hartman testified that Farmton either has or is taking appropriate measures to ensure sufficient plant capacity to provide the proposed service. Pursuant to section 367.031, Florida Statutes, a utility must obtain a certificate of authorization from the Commission prior to being issued a permit by the DEP for the construction of a new water or wastewater facility or prior to being issued a consumptive use or drilling permit by a water management district. We believe that Farmton is correct in pursuing a PSC certificate prior to approaching the DEP, WMD, Brevard County, or any other entity that may require authorization to construct the facilities necessary to provide water service. We believe that the utility has shown that it has the financial and technical ability to efficiently provide sufficient existing and potential capacity for all services needed in the proposed service area. In reference to Brevard County's Ordinance 03-032, it was previously noted that certification does not deprive the counties of any authority they have to oversee urban sprawl on the Farmton properties. This includes Brevard County's use of Ordinance No. 03-032 to approve the construction of a water or sewer system. We believe that the utility will adhere to that ordinance when it is appropriate for it to do so. Therefore, we find that Farmton has sufficient existing and potential capacity for all services needed in the proposed service area.

LAND

Rule 25-30.033(1)(j), Florida Administrative Code, requires evidence that the utility owns the land upon which the utility treatment facilities are, or will be, located or a copy of an agreement which provides for the continued use of the land. Parties have stipulated, noting that Volusia, Brevard, and Titusville took no position, that Farmton has provided evidence that it has continued use of the land upon which the utility treatment facilities are or will be located. Accordingly, the utility shall file an executed and recorded copy of its lease with the Miami Corporation by October 21, 2004.

NOTICING AND FILING REQUIREMENTS

Rules 25-30.030 and 25-30.033, Florida Administrative Code, set forth the filing and noticing requirements for this Application. Farmton contends that Witness Hartman provided testimony concerning the noticing requirements of our rules and specifically stated that Farmton's noticing complies with the rules and statutes. Titusville asserts that Farmton failed to meet the filing requirements by filing incomplete and incorrect information. According to Titusville, it is difficult to understand the service Farmton proposes because Farmton has prepared many exhibits changing its proposed service, but has never amended its Application. While it is true that Farmton filed multiple exhibits changing its proposed service, there is no rule requirement that Farmton amend its application. Titusville further asserts that Farmton failed to provide any credible evidence of need, any financial statement, proof of financial ability, proof of technical ability, and proof of public interest. We disagree. Based on the evidence in the record, Farmton has provided this information in accordance with our rules. Accordingly, we find that Farmton has met the filing and noticing requirements set forth in Rules 25-30.030 and 25-30.033, Florida Administrative Code.

GRANTING OF CERTIFICATE NO. 622-W

Based on the above, we find that Farmton has demonstrated: 1) that there is a need for service; 2) that the application will not be in competition with, or duplication of, any other system; and 3) that it has the financial and technical ability to provide for service along with the ability to pursue the steps necessary to obtain sufficient plant capacity. In addition, we believe that granting of a certificate to Farmton will not deprive the counties of their ability to control development under their comprehensive plans or ordinances. As such, we find that Farmton has proven that its application is in the public interest. Accordingly, Certificate No. 622-W shall be issued to Farmton Water Resources LLC to serve the territory described in Attachment A, attached hereto, and to charge the rates approved herein.

RETURN ON EQUITY

Rule 25-30.033(3), Florida Administrative Code, provides that the return on common equity be established using the current equity leverage formula established by order of the Commission pursuant to section 367.081(4), Florida Statutes, unless there is competent substantial evidence supporting the use of a different return on common equity. Farmton has projected a capital structure of 40% equity and 60% debt. Therefore, we find a return on equity for Farmton of 11.40%, with a range of plus or minus 100 basis points, is consistent with the current leverage graph formula found in Order No. PSC-04-0587-PAA-WS and a 40% equity ratio, and is hereby approved.

RATES AND CHARGES

Pursuant to Rule 25-30.033, Florida Administrative Code, Farmton filed proposed initial rates for retail potable, fire protection, and bulk raw water. None of the parties have disputed the

actual rates and charges. Instead, Titusville disputes the need for the rates and charges. Brevard and Volusia Counties have taken no position.

Rate Base Farmton's projected rates are based on the rate base calculations shown on Schedule No. 1. The projected rate base for retail potable water, fire protection, and bulk raw water services is \$7,616, \$495, and \$1,773,568, respectively, based on the utility's projected costs at 80% of the design capacity of Phases I and II, which is expected to be reached in 2009 or eight years from start-up.

We find that Farmton's projected rate base for retail potable water, fire protection, and bulk raw water services are reasonable and are hereby approved. Projected rate base is established only as a tool to aid us in setting initial rates and is not intended to formally establish rate base.

Cost of Capital Farmton's projected capital structure, shown on Schedule 2, consists of 40% equity and 60% debt. Farmton had originally proposed cost of capital of 9.00% based on a return on equity of 11.10%. As previously discussed, return on equity is 11.40% pursuant to the current leverage graph formula in Order No. PSC-04-0587-PAA-WS. The utility's projected cost of debt is 7.60%, which we find to be reasonable. As such, we find that the utility's initial rates shall reflect an overall cost of capital of 9.12% based on 40% equity at 11.40% and 60% debt at 7.60%.

Return on Investment The projected return on investment is shown on Schedule 3 as net operating income. Based on the projected rate base for each system in Schedule 1 and the projected overall cost of capital of 9.12%, we find that the return on investment for retail potable water, fire protection, and bulk raw water shall be \$695, \$45, and \$161,749, respectively.

Revenue Requirements The projected revenue requirement, operating and maintenance expenses, depreciation and amortization, and taxes other than income are shown on Schedule 3. The utility's proposed operating and maintenance expenses at 80% of design capacity, including purchased power, contractual services, and rent royalties for use of the land, appear reasonable. As a limited liability company, Farmton has no income tax expense. Therefore, revenue requirements for retail potable water, fire protection, and bulk raw water services of \$8,164, \$4,192, and \$553,403, respectively, are reasonable and are hereby approved.

Rates and Rate Structure The approved rates for retail potable water, fire protection and bulk raw water service, shown on Schedule 4, are based on the utility's proposed revenue requirements, adjusted to reflect the return on equity. The approved monthly retail potable water rates for residential and general service customers include a base facility charge based on meter size and a uniform charge per 1,000 gallons of usage. Farmton's Exhibit 41 included a separate base facility charge of \$83.00 per month for each 2 inch well used by the hunt camp based on expected demand at each well. Farmton Witness Hartman clarified that it was Farmton's intent

to bill based on meter size and not ERCs. Therefore, we find that the hunt camp customers shall be billed using the base facility charge based on meter size, and not a charge based on demand (per ERC). The proposed rates for fire protection include a monthly base facility charge per well. The proposed bulk raw water rate structure includes an annual base charge per 0.5 MGD of committed capacity, a take or pay gallonage charge per 1,000 gallons of committed capacity, and a gallonage charge for usage above the committed capacity.

Miscellaneous Service Charges Rule 25-30.460, Florida Administrative Code, defines four categories of miscellaneous service charges. Farmton's proposed miscellaneous service charges, shown on Schedule 4, are consistent with this rule and are hereby approved.

Farmton shall file revised tariff sheets containing the rates and charges approved herein by October 21, 2004. The tariff shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code. Farmton is hereby put on notice that it shall charge the rates and charges in its approved tariff until authorized to change by the Commission.

SERVICE AVAILABILITY CHARGES

Pursuant to Rule 25-30.580(1), Florida Administrative Code, the maximum amount of contributions-in-aid-of-construction, net of amortization, should not exceed 75% of the total original cost, net of depreciation, of the utility's facilities and plant when the facilities and plant are at their designed capacity.

Farmton believes the appropriate service availability charges are those contained in Exhibit 3. Titusville believes that the service availability charges in Farmton's initial application are inappropriate because Farmton never sought to include the changes in Exhibit 41 in its application. Brevard and Volusia have no position.

Farmton originally requested approval of the following service availability charges.

<u>Service</u>	<u>System Capacity Charge</u>	<u>CIAC Level</u>
Retail potable, per ERC (350 GPD)	\$ 356.65	75%
Fire protection, per well	\$2,640.00	100%
Bulk raw water, per ERC (350 GPD)	\$ 421.51	60%
per Gallon	\$ 1.20443	

Retail Potable Service

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 29

Farmton's proposed system capacity charge for retail potable water service of \$356.65 per ERC is based on the estimated capital costs for construction of its retail potable water wells and associated facilities. Farmton's proposed service availability policy and charges will result in contributions-in-aid-of-construction (CIAC) for retail potable water service in the amount of 75% of its capital cost. According to its proposed service availability policy, Farmton will be responsible for the construction and ownership of all proposed water facilities, including all wells, treatment, and distribution facilities up to the point of delivery of service to the customer.

Fire Protection

Farmton's proposed system capacity charge for fire protection service of \$2,640 per well is based on the estimated capital costs for the construction of the wells and associated facilities. Farmton proposes to recover 100% of the cost of its fire protection facilities through CIAC. According to its proposed service availability policy, Farmton will be responsible for construction and ownership of all proposed fire protection wells and facilities up to the point of delivery of service to the customer.

Bulk Raw Water

Farmton's proposed system capacity charge for bulk raw water service of \$421.51 per ERC (\$1.20443 per gallon) is based on the estimated capital costs for its bulk raw water wells and facilities. Farmton proposes to collect 60% of its capital costs in CIAC. According to its proposed service availability policy, Farmton will be responsible for construction and ownership of all wells and facilities up to the point of delivery of service to the customer. The point of delivery for raw bulk water is described to be at the boundary of Farmton's service territory. The customer will be responsible for construction and ownership of all facilities beyond the point of delivery.

Titusville has taken the position that Farmton's service availability charges are inappropriate because it never sought to amend its application to include the revisions in Exhibit 41. Farmton argued that Titusville did not provide any evidence or witness, nor did it elicit any evidence on cross-examination in support of its position that Farmton's service availability charges were inappropriate.

We believe that neither Exhibit 38 nor Exhibit 41 modify Farmton's proposed service availability charges. Exhibit 38 redistributed the capital costs for retail potable service based upon a different meter configuration than originally proposed. However, the total capital cost upon which service availability charges were calculated remained unchanged. Exhibit 41 removed income tax expense from the revenue requirement, but the capital costs and ERCs used to calculate service availability charges were not changed.

Although the proposed system capacity charge for fire protection is designed to allow Farmton to recover 100% of its capital investment associated with those assets, Farmton also

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 30

proposes to limit the collection of CIAC to 60% of its investment in bulk raw water facilities. In the aggregate, Farnton's projected CIAC level at design capacity for retail potable water, fire protection, and bulk raw water facilities is expected to be approximately 60%.

Accordingly, we find that Farnton's proposed service availability policy and charges as set forth herein are consistent with the guidelines of Rule 25-30.580, Florida Administrative Code, and are hereby approved. The charges shall be effective for connections made on or after the stamped approval date on the tariff sheets.

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC)

Rule 25-30.033(4), Florida Administrative Code, allows utilities obtaining initial certificates to accrue allowance for funds used during construction (AFUDC) for projects found eligible pursuant to Rule 25-30.116(1), Florida Administrative Code.

The leverage graph formula in Order No. PSC-04-0587-PAA-WS generates a return on equity of 11.40% at Farnton's proposed 40% equity ratio. This return on equity results in an annual AFUDC rate of 9.12% and a discounted monthly rate of 0.7596837%. We find that these rates are hereby approved and shall apply to the qualified construction projects beginning on or after the date the certificate of authorization is issued.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Farnton Water Resources LLC's application for an original water certificate is hereby granted to serve the territory set forth in Attachment A. It is further

ORDERED that Certificate No. 622-W shall be issued to Farnton Water Resources LLC, 1625 Maytown Road, Osteen, Florida, 32764. It is further

ORDERED that all matters contained herein, whether set forth in the body of this Order or in the schedules attached hereto are incorporated herein by reference. It is further

ORDERED that Farnton Water Resources LLC initial rates and charges shall be those set forth in the body of this Order. It is further

ORDERED that a return of equity of 11.40%, with a range of plus or minus 100 basis points, is hereby approved for Farnton Water Resources LLC. It is further

ORDERED that Farnton Water Resources LLC shall file tariffs which reflect the rates and charges approved in this Order. It is further

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 31

ORDERED that an allowance for funds used during construction for Farnton Water Resources LLC of 9.12% and a monthly discounted rate of 0.7596837% shall be applied to qualified construction projects beginning on the date the certificate of authorization is issued. It is further

ORDERED that Farnton Water Resources LLC shall file revised tariff sheets containing the approved rates and charges by October 21, 2004. It is further

ORDERED that Farnton Water Resources LLC shall file an executed and recorded copy of its lease with Miami Corporation by October 21, 2004. It is further

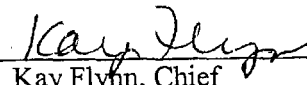
ORDERED that the rates and charges set forth herein shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, Florida Administrative Code. It is further

ORDERED this docket shall be closed administratively after the time for filing an appeal has run, upon verification that the utility has filed an executed and recorded copy of its lease, and upon the filing and approval of the revised tariff sheets.

By ORDER of the Florida Public Service Commission this 8th day of October, 2004.

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

By:


Kay Flynn, Chief
Bureau of Records

(SEAL)

KEF

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 32

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.

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 33

ATTACHMENT A

Farmton Water Resources, LLC.
Water Territory

TOWNSHIP 18 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 13 AND 14
THE EAST 1/2 OF SECTIONS 15 AND 22
ALL OF SECTIONS 23, 24, 25, 26, 27, 28, 31, 32, 33, 34, 35 AND 36.

TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25,
26, 27, 28, 29

LESS AND EXCEPT THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5

LESS AND EXCEPT THE EAST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4; AND THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6

LESS AND EXCEPT THE WEST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4; AND THE WEST 1/2 OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; AND THE EAST 3/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; AND THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; AND THE WEST 3/4 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4; AND THE WEST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; AND THE WEST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 7

LESS AND EXCEPT THE EAST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; AND THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; AND THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 8

LESS AND EXCEPT THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 16

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,486.51 FEET; THENCE RUN S.01°21'39"E., FOR A DISTANCE OF 515.09 FEET TO THE POINT OF BEGINNING; THENCE RUN S.89°33'37"E., FOR A DISTANCE OF 521.14 FEET; THENCE RUN S.00°32'06"W., FOR A DISTANCE OF 150.63 FEET; THENCE RUN S.89°20'51"W., FOR A DISTANCE OF 515.94 FEET; THENCE RUN N.01°21'39"W., FOR A DISTANCE OF 160.55 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,487.87 FEET; THENCE RUN S.00°44'27"E., FOR A DISTANCE OF 253.23 FEET TO THE POINT OF BEGINNING; THENCE

ATTACHMENT A

RUN N.89°51'24"E., FOR A DISTANCE OF 50.00 FEET; THENCE RUN S.00°44'47"E., FOR A DISTANCE OF 100.76 FEET; THENCE RUN S.88°59'51"W., FOR A DISTANCE OF 50.01 FEET; THENCE RUN N.00°44'27"W., FOR A DISTANCE OF 101.51 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,643.36 FEET; THENCE RUN S.00°52'09"E., FOR A DISTANCE OF 1,185.77 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°16'13"E., FOR A DISTANCE OF 49.07 FEET; THENCE RUN S.00°40'06"E., FOR A DISTANCE OF 99.13 FEET; THENCE RUN S.89°33'32"W., FOR A DISTANCE OF 48.72 FEET; THENCE RUN N.00°52'09"W., FOR A DISTANCE OF 98.89 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,704.56 FEET; THENCE RUN S.00°20'35"E., FOR A DISTANCE OF 1,482.69 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°18'56"E., FOR A DISTANCE OF 52.32 FEET; THENCE RUN S.01°22'15"E., FOR A DISTANCE OF 99.28 FEET; THENCE RUN S.89°28'14"W., FOR A DISTANCE OF 54.10 FEET; THENCE RUN N.00°20'35"W., FOR A DISTANCE OF 99.13 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,916.36 FEET; THENCE RUN S.00°55'35"E., FOR A DISTANCE OF 883.67 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°29'23"E., FOR A DISTANCE OF 70.19 FEET; THENCE RUN S.00°50'18"E., FOR A DISTANCE OF 100.39 FEET; THENCE RUN S.89°23'11"W., FOR A DISTANCE OF 70.04 FEET; THENCE RUN N.00°55'35"W., FOR A DISTANCE OF 100.51 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 2,099.62 FEET; THENCE RUN S.01°01'27"E., FOR A DISTANCE OF 763.77 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°29'50"E., FOR A DISTANCE OF 71.22 FEET; THENCE RUN S.01°01'23"E., FOR A DISTANCE OF 105.02 FEET; THENCE RUN S.89°35'52"W., FOR A DISTANCE OF 71.22 FEET; THENCE RUN N.01°01'27"W., FOR A DISTANCE OF 104.89 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 2,343.64 FEET; THENCE RUN S.01°14'33"E., FOR A DISTANCE OF 1,359.09 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°11'54"E., FOR A DISTANCE OF 53.60 FEET; THENCE RUN S.00°38'10"E., FOR A DISTANCE OF 104.13 FEET; THENCE RUN S.89°35'27"W., FOR A DISTANCE OF 52.50 FEET; THENCE RUN N.01°14'33"W., FOR A DISTANCE OF 103.77 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 3,011.48 FEET; THENCE RUN S.01°14'00"E., FOR A DISTANCE OF 1,059.93 FEET TO THE POINT OF BEGINNING; THENCE

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 35

ATTACHMENT A

RUN N.89°11'46"E., FOR A DISTANCE OF 98.01 FEET; THENCE RUN S.00°53'04"E., FOR A DISTANCE OF 105.26 FEET; THENCE RUN S.89°37'56"W., FOR A DISTANCE OF 97.38 FEET; THENCE RUN N.01°14'00"W., FOR A DISTANCE OF 104.52 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THE WEST ½ OF THE SOUTHWEST ¼; AND THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 19

LESS AND EXCEPT THE EAST ½ OF THE NORTHEAST ¼ OF THE NORTHEAST ¼ OF SECTION 20

LESS AND EXCEPT A PORTION OF SECTION 21, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHEAST CORNER OF SECTION 21, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY, FLORIDA; THENCE RUN S.01°54'33"E., ALONG THE EAST LINE OF SAID SECTION 21 FOR A DISTANCE OF 996.18 FEET; THENCE RUN S.01°54'21"E., FOR A DISTANCE OF 364.58 FEET TO THE POINT OF BEGINNING; THENCE RUN S.01°54'36"E., FOR A DISTANCE OF 1,325.86 FEET; THENCE DEPARTING SAID EAST LINE, RUN S.89°30'18"W., FOR A DISTANCE OF 1,316.67 FEET; THENCE RUN N.02°18'23"W., FOR A DISTANCE OF 266.34 FEET; THENCE RUN S.89°42'43"W., FOR A DISTANCE OF 497.23 FEET; THENCE RUN N.01°57'48"W., FOR A DISTANCE OF 1,047.99 FEET; THENCE RUN N.89°11'44"E., FOR A DISTANCE OF 1,816.46 FEET TO A POINT IN THE AFOREMENTIONED EAST LINE AND THE POINT OF BEGINNING.

LESS AND EXCEPT THE WEST ½ OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 22

LESS AND EXCEPT THE EAST 12 CHAINS OF THE SOUTH 10 CHAINS OF THE NORTHEAST ¼ OF THE NORTHWEST ¼; AND THE SOUTHEAST ¼ OF THE NORTHWEST ¼; AND THE SOUTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 23

LESS AND EXCEPT THE WEST ½ OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 27

TOGETHER WITH THE EAST ½; THE EAST ½ OF THE NORTHWEST ¼; AND ALL THAT PART OF THE SOUTHWEST ¼ OF SECTION 30, LYING EAST OF THE ST. JOHNS RIVER

TOGETHER WITH ALL OF THAT PART OF THE NORTHEAST ¼ LYING NORTH OF THE ABANDONED FLORIDA EAST COAST RAILROAD; THE NORTHEAST ¼ OF THE NORTHWEST ¼; AND THE SOUTH 13.67 CHAINS OF THE SOUTHEAST ¼ OF THE NORTHWEST ¼ LYING NORTH AND EAST OF THE RIVER IN SECTION 31

TOGETHER WITH ALL OF SECTIONS 32, 33, 34 AND 35 LYING NORTH OF THE ABANDONED FLORIDA EAST COAST RAILROAD RIGHT-OF-WAY

LESS AND EXCEPT THE SOUTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 34 LYING NORTH OF THE ABANDONED FLORIDA EAST COAST RAILROAD RIGHT-OF-WAY

ALL OF SECTION 36.

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 36

ATTACHMENT A

TOWNSHIP 20 SOUTH, RANGE 33 EAST VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 1, 12, 13 AND 24

TOWNSHIP 19 SOUTH, RANGE 34 EAST, VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 5, 6, 7, 8, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, AND 33

LESS AND EXCEPT THE WEST ½ OF THE SOUTHEAST ¼ OF THE NORTHWEST ¼; AND THAT PART OF THE SOUTHEAST ¼ OF THE SOUTHEAST ¼ OF THE NORTHWEST ¼ LYING WITHIN THE RAILROAD RIGHT-OF-WAY; AND THAT PART OF THE SOUTHEAST ¼ OF THE SOUTHWEST ¼ LYING NORTH OF THE SOUTHERLY RAILROAD RIGHT-OF-WAY LINE; AND THE SOUTHWEST ¼ OF THE SOUTHEAST ¼ OF SECTION 30

TOWNSHIP 20 SOUTH, RANGE 34 EAST, BREVARD COUNTY, FLORIDA

ALL OF SECTION 4, 5, 6, 7, 8, 17, 18, 19 AND 20

TOWNSHIP 20 SOUTH, RANGE 34 EAST AND TOWNSHIP 21 SOUTH, RANGE 34 EAST, BREVARD COUNTY, FLORIDA; AND TOWNSHIP 21 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 6, 7, 8, 10, 11, 12, 25, 26, 27; A PORTION OF SECTION 13 AND 24 VOLUSIA COUNTY AND A PORTION OF SECTION 37 OF THE PLAT OF INDIAN RIVER PARK SUBDIVISION OF THE BERNARDO SEQUI GRANT RECORDED IN PLAT BOOK 2, PAGE 33 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS.

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 20, TOWNSHIP 20 SOUTH, RANGE 34 EAST THENCE N78°15'40"E, A DISTANCE OF 2,203.90 FEET; THENCE S18°04'14"E, A DISTANCE OF 5,203.03 FEET; THENCE S78°28'51"W, A DISTANCE OF 650.12 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE N78°28'51"E, A DISTANCE OF 650.12 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE S78°28'51"W, A DISTANCE OF 1,300.24 FEET; THENCE S18°04'14"E, A DISTANCE OF 5,850.53 FEET; THENCE N78°28'51"E, A DISTANCE OF 1,300.24 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE S78°28'51"W, A DISTANCE OF 1,300.24 FEET; THENCE S18°04'14"E, A DISTANCE OF 1,300.12 FEET; THENCE S78°28'51"W, A DISTANCE OF 1,300.24 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE N78°28'51"E, A DISTANCE OF 2,600.48 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE S78°28'51"W, A DISTANCE OF 21,437.63 FEET TO THE SOUTHWEST CORNER OF SECTION 37, TOWNSHIP 21 SOUTH, RANGE 33 EAST; THENCE N09°25'57"W, A DISTANCE OF 3,351.19 FEET; THENCE S89°42'37"E, A DISTANCE OF 4,129.52 FEET; THENCE N00°57'50"W, A DISTANCE OF 5,354.01 FEET; THENCE N01°00'59"W, A DISTANCE OF 5,235.95 FEET; THENCE N01°22'29"W, A DISTANCE OF 2,576.62 FEET; THENCE N78°15'40"E, A DISTANCE OF 10,900.37 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 24.

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 37

FARMTON WATER RESOURCES LLC
Schedule of Rate Base
At 80% of Design Capacity

Schedule No. 1

<u>DESCRIPTION</u>	<u>POTABLE WATER</u>	<u>FIRE PROTECTION</u>	<u>BULK RAW WATER</u>	<u>TOTAL</u>
Utility Plant in Service	\$ 45,650	\$ 26,400	\$ 5,520,300	\$ 5,592,350
Accumulated Depreciation	\$ (18,441)	\$ (9,655)	\$ (1,173,178)	\$ (1,201,274)
Contributions-in-aid-of- Construction (CIAC)	\$ (34,238)	\$ (26,400)	\$ (3,312,180)	\$ (3,372,818)
Accumulated Amortization of CIAC	\$ 13,831	\$ 9,655	\$ 703,907	\$ 727,393
Working Capital Allowance	<u>\$ 814</u>	<u>\$ 495</u>	<u>\$ 34,719</u>	<u>\$ 36,028</u>
RATE BASE	\$ 7,616	\$ 495	\$ 1,773,568	\$ 1,781,679

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 38

FARMTON WATER RESOURCES LLC

Schedule No. 2

Schedule of Cost of Capital
At 80% of Design Capacity

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>WEIGHT</u>	<u>COST RATE</u>	<u>WEIGHTED COST</u>
Common Equity	\$ 712,672	40.0%	11.40%	4.56%
Long and Short-Term Debt	1,069,008	60.0%	07.60%	4.56%
Customer Deposits		00.0%	00.00%	0.00%
Totals	\$1,781,680	100.0%		9.12%
<u>Range of Reasonableness</u>	<u>High</u>	<u>Low</u>		
Return on Common Equity	12.40%	10.40%		

FARMTON WATER RESOURCES LLC
 Schedule of Operating Revenues
 At 80% of Design Capacity

Schedule No. 3

<u>DESCRIPTION</u>	<u>POTABLE WATER</u>	<u>FIRE PROTECTION</u>	<u>BULK RAW WATER</u>	<u>TOTAL</u>
Operating Revenues	\$ 8,164	\$ 4,192	\$ 553,403	\$ 565,759
Operating and Maintenance	\$ 6,512	\$ 3,960	\$ 277,750	\$ 288,222
Net Depreciation Expense	\$ 590	\$ -0-	\$ 89,005	\$ 89,595
Taxes Other Than Income	\$ 367	\$ 187	\$ 24,899	\$ 25,453
Income Taxes	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Operating Expense	\$ 7,469	\$ 4,147	\$ 391,654	\$ 403,270
Net Operating Income	\$ 695	\$ 45	\$ 161,749	\$ 162,489
Water Rate Base	\$ 7,616	\$ 495	\$ 1,773,568	\$ 1,781,679
Rate of Return	9.12%	9.12%	9.12%	9.12%

ORDER NO. PSC-04-0980-FOF-WU
 DOCKET NO. 021256-WU
 PAGE 40

FARMTON WATER RESOURCES LLC
 Schedule of Rates and Charges

Schedule No. 4

RETAIL POTABLE WATER SERVICE
GENERAL AND RESIDENTIAL SERVICE
 MONTHLY

<u>Meter Size:</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 3.58
1"	8.95
1.5"	17.90
2"	28.64
3"	57.28
4"	89.50
6"	179.00
8"	286.40
<u>All Meter Sizes</u>	<u>Gallonge Charge</u>
Per 1,000 gallons	\$ 0.64

FIRE PROTECTION SERVICE
 MONTHLY

<u>All Meter Sizes</u>	<u>Base Facility Charge</u>
Monthly Flat Rate (per well)	\$ 29.11

BULK RAW WATER SERVICE
 ANNUALLY

<u>All Meter Sizes</u>	<u>Charges and Rates</u>
Base Charge (per 0.5 MGD)	\$ 54,473.40
Take or Pay Gallonge Charge (per 1,000 gallons demand capacity)	\$0.3043 x Committed Capacity
Gallonge Charge per 1,000 gallons used above commitment	\$ 0.3043

Initial Connection Fee	\$ 15.00
Normal Reconnection Fee	\$ 15.00
Violation Reconnection Fee	Actual Cost
Premises Visit Fee (In lieu of disconnection)	\$ 10.00

MEMORANDUM

OCTOBER 18, 2004

RECEIVED-FPSC

04 OCT 22 PM 3:55

COMMISSION
CLERK

**TO: KAY FLYNN/CCA
HONG WANG/CCA
MARY DISKERUD/GCL-APP
WANDA TERRELL/GCL-APP**

**FROM: DAVID E. SMITH, ATTORNEY SUPERVISOR, OFFICE OF
THE GENERAL COUNSEL *DES***

**RE: BREVARD COUNTY v. THE FLORIDA PUBLIC SERVICE
COMMISSION, AND**

**CITY OF TITUSVILLE v. FARMTON WATER RESOURCES LLC,
FLORIDA FIRST DISTRICT COURT OF APPEAL, FPSC DOCKET NO.
021256-WU**

Please note that the above appeal has been assigned to Richard Bellak. The Notice of Administrative Appeal was filed on October 14, 2004. The case schedule is as follows:

<u>Date</u>	<u>Item</u>
<u>From day of filing:</u>	
<u>11/19/04</u>	Draft of Index of Record from CCA to Appeals Attorney.
<u>12/03/04</u>	Index of Record served on Parties.
<u>12/13/04</u>	Copy of Record to Appeals.
<u>12/23/04</u>	Appellant's Initial Brief Due.
<u>01/07/04</u>	Draft Commission Answer Brief Due.
<u>01/12/04</u>	Commission's Answer Brief Due.
<u>01/01/05</u>	Appellant's Reply Brief Due.

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

October 22, 2004

Jon Wheeler, Clerk
First District Court of Appeals of Florida
301 South Martin Luther King Boulevard
Tallahassee, Florida 32399

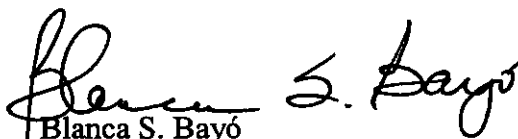
**Re: Brevard County vs. Florida Public Service Commission, et al.,
(Docket No. 021256-WU)**

Dear Mr. Wheeler:

Enclosed is a certified copy of a Notice of Administrative Appeal of Order No. PSC-04-0980-FOF-WU, filed in this office on behalf of Brevard County, filed October 21, 2004.

It is our understanding that the index of record is due to be served on the parties to this proceeding on or before December 10, 2004.

Sincerely,


Blanca S. Bayó

BB:mhl
I:/Appeals/noatodca.wpd
Enclosure

cc: Scott L. Knox, Esquire
David E. Smith, Esquire
David M. Caldevilla, Esquire
William J. Bosch, III, Esquire
John Wharton, Esquire

ORIGINAL

BREVARD County
BOARD OF COUNTY COMMISSIONERS

FLORIDA'S SPACE COAST



OFFICE OF THE COUNTY ATTORNEY, 2725 Judge Fran Jamieson Way, Viera, Florida 32940

(321)633-2090
FAX (321)633-2096

October 14, 2004

Blanca Bayo, Director
Division of Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RECEIVED-FPSC
OCT 21 AM 8:46
COMMISSION
CLERK

Re: In Re: Application for Certificate
To Provide Water Service in Volusia and
Brevard County By Farmton Water Resources, LLC.
Docket No. 021256-WU

Dear Ms. Bayo:

I have enclosed an original and two copies of a Notice of Administrative Appeal to be filed in the above-referenced matter.

Sincerely,

Scott L. Knox
County Attorney

- CMP _____
- COM _____ :md
- Enclosures
- CTR _____
- ECR _____ cc: Jennifer A. Rodan, Esquire
- Edward P. de la Parte, Jr., Esquire
- GCL _____ William J. Bosch, III, Assistant County Attorney
- OPC _____ F. Marshall Deterding, Esquire
- MMS _____ \pleadings\farmtonCLERK.wpd
- RCA _____
- SCR _____
- SEC 1
- OTH Lockard

DOCUMENT NUMBER-DATE
11372 OCT 21 04

IN THE FLORIDA PUBLIC SERVICE COMMISSION

RECEIVED-FPSC

OCT 21 AM 8:47

COMMISSION
CLERK

BREVARD COUNTY, Appellant,)
 and Petitioner before the Public Service)
 Commission in the proceeding styled)
 In Re:)
 Application for Certificate)
 To Provide Water Service in)
 Volusia and Brevard County)
 By Farmton Water Resources, LLC.)
)
 v.)
)
 THE FLORIDA PUBLIC SERVICE)
 COMMISSION, Appellee)
)

DOCKET NO. 021256-WU

NOTICE OF ADMINISTRATIVE APPEAL

NOTICE IS GIVEN that BREVARD COUNTY, FLORIDA, a political subdivision of the State of Florida, Appellant, appeals to the First District Court of Appeal, the order of the Florida Public Service Commission entitled Final Order Granting Certificate No. 622-W rendered October 8, 2004. A copy of the order is attached at Exhibit "A". The nature of the order is a final order granting Farmton Water Resources LLC over 50,000 acres of certificated territory for water service and setting initial rates and charges.

I certify that a true and correct copy of the foregoing has been furnished by U.S. Mail to F. Marshall Deterding, Esquire, 2548 Blairstone Pines Drive, Tallahassee, Florida, 32301, Edward P. de la Parte, Jr., Esquire, 101 E. Kennedy Blvd., Suite 3400, Tampa, Florida, 33602-5195, Jennifer A. Rodan, Esquire, Office of General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850,

A TRUE COPY

ATTEST

Blanca S. Bayo
 DIRECTOR, DIVISION OF
 COMMISSION CLERK AND
 ADMINISTRATIVE SERVICES

DOCUMENT NUMBER-DATE

11372 OCT 21 04

and William J. Bosch, III, Volusia Assistant County Attorney, 123 W. Indiana Avenue,
DeLand, FL 32720-4613, this 14 day of October, 2004.

OFFICE OF THE COUNTY ATTORNEY
2725 Judge Fran Jamieson Way
Viera, FL 32940
321/633-2090
321/633-2096 facsimile

By: 

Scott L. Knox
County Attorney
Florida Bar No. 211291
Attorney for Brevard County, Florida/Appellant

Notice.apl.wpd

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for certificate to provide
water service in Volusia and Brevard Counties
by Farmton Water Resources LLC.

DOCKET NO. 021256-WU
ORDER NO. PSC-04-0980-FOF-WU
ISSUED: October 8, 2004

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY

APPEARANCES:

F. MARSHALL DETERDING, ESQUIRE, and JOHN L. WHARTON,
ESQUIRE, Rose, Sundstrom & Bentley, LLP, 2548 Blairstone Pines Drive,
Tallahassee, Florida 32301
On behalf of Farmton Water Resources LLC

PATRICK J. MCNAMARA, ESQUIRE, de la Parte & Gilbert, P.A., Post Office
Box 2350, Tampa, Florida 33601-2350
On behalf of the City of Titusville, Florida

SCOTT KNOX, ESQUIRE, Office of the County Attorney, 2724 Judge Fran
Jamieson Way, Viera, Florida 32940
On behalf of Brevard County

WILLIAM J. BOSCH, ESQUIRE, County of Volusia Legal Department, 123
West Indiana Avenue, DeLand, Florida 32720-4613
On behalf of Volusia County

KATHERINE E. FLEMING, ESQUIRE, MARTHA C. BROWN, ESQUIRE, and
JENNIFER A. RODAN, ESQUIRE, Florida Public Service Commission, 2540
Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission

FINAL ORDER GRANTING CERTIFICATE NO. 622-W

DOCUMENT NUMBER - DATE

10879 OCT -8 3

FPSC-COMMISSION CLERK

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 2

TO FARMTON WATER RESOURCES LLC,
AND SETTING INITIAL RATES AND CHARGES

BY THE COMMISSION:

BACKGROUND

On December 20, 2002, Farmton Water Resources LLC (Farmton or utility) filed an Application for an Original Certificate to Provide Water Service in Volusia and Brevard Counties pursuant to section 367.031, Florida Statutes, and Rule 25-30.033, Florida Administrative Code. Volusia County (Volusia), Brevard County (Brevard), and the City of Titusville (Titusville) objected to the application, asserting that there is no need for service in the proposed service area, that the application is inconsistent with local comprehensive plans, and that the service proposed by the utility is exempt from our jurisdiction.

The service hearing on this matter was held on May 13, 2004, in New Smyrna Beach, Florida. A Prehearing Conference was held on May 17, 2004, in Tallahassee, Florida. The technical portion of the administrative hearing was held on June 22-23, 2004, in Tallahassee, Florida. The proposed service territory, as modified, consists of 50,000 acres, of which 10,000 acres are in Brevard County and 40,000 are in Volusia County. According to Farmton, there is no development currently planned for the proposed service territory. The utility will serve the Miami Tract Hunt Club, the Miami Corporation, and the Clark Cattle Station located within the proposed service territory. Farmton's Application seeks a certificate for retail potable, fire protection, and bulk raw water service.

STIPULATIONS

The following stipulations reached by the parties, noting that Volusia, Brevard, and Titusville took no position, are reasonable and are hereby accepted as set forth below.

1. Farmton has provided evidence that it has continued use of the land upon which the utility treatment facilities are or will be located.
2. Return on equity shall be based on the current leverage graph formula in effect at the time of the Commission vote in this proceeding.
3. The Allowance for Funds Used During Construction (AFUDC) shall be based on the current leverage graph formula in effect at the time of the Commission vote in this proceeding.

COMMISSION JURISDICTION

The Florida Public Service Commission (PSC or the Commission) has exclusive, preemptive jurisdiction over private water and wastewater utilities under chapter 367, Florida Statutes. As section 367.011, Florida Statutes, provides:

* * *

(2) The Florida Public Service Commission shall have exclusive jurisdiction over each utility with respect to its authority, service, and rates.

(3) The regulation of utilities is declared to be in the public interest, and this law is an exercise of the police power of the state for the protection of the public health, safety, and welfare. The provisions of this chapter shall be liberally construed for the accomplishment of this purpose.

(4) This chapter shall supersede all other laws on the same subject, and subsequent inconsistent laws shall supersede this chapter only to the extent that they do so by express reference. This chapter shall not impair or take away vested rights other than procedural rights or benefits.

Farmton argues that the language of section 367.011 is very clear, and the courts have repeatedly interpreted our regulatory jurisdiction over private utilities as broad, exclusive and preemptive. See, for example, Hill Top Developers v. Holiday Pines Service Corp., 478 So. 2d 368, 371 (Fla. 2d DCA 1985) (power and authority of the Public Service Commission is preemptive); Florida Power Corp. v. Seminole County, 570 So. 2d 105, 107 (Fla. 1991) ("While the authority given to cities and counties in Florida is broad, both the constitution and statutes recognize that cities and counties have no authority to act in areas that the legislature has pre-empted."). We, too, have interpreted our jurisdiction this way. In Order No. PSC-92-0104-FOF-WU, issued March 27, 1992, in Docket No. 910114-WU, In Re: Application of East Central Florida Services, Inc. for an original certificate in Brevard, Orange, and Osceola Counties, a case that is factually similar to this case, we found that our jurisdiction pursuant to section 367.011 preempted the local governments' claim to control the service area and certification process of a private water and wastewater utility.

The law on this issue is well-settled, and the local government intervenors appear to agree that section 367.011 provides this Commission jurisdiction over the certification of private utilities, but the intervenors still claim that other laws provide indirect local governmental control over certification as well. Brevard argues that under section 153.53(1), Florida Statutes,¹ a water

¹ Section 153.53 provides:

(1) Subject to this law, the board of county commissioners of any county may establish one or more districts as it shall in its discretion determine to be necessary in the public interest. Any such district shall consist of only unincorporated contiguous areas of such county, comprising part but not all of the areas of such county. As used herein, "unincorporated areas" shall mean all lands outside of the incorporated boundaries of towns, cities, or other municipalities of the state whether existing under the general law or special act and shall include any lands, areas, or

and sewer district created by county commissions has the authority to consent to construction of a water system within the district pursuant to section 153.86, Florida Statutes.² Brevard contends that we cannot grant Farmton a certificate in this case because Farmton failed to apply for Brevard's water district's approval for construction of facilities and thus Farmton cannot meet the certification requirements in section 367.045, Florida Statutes. Titusville and Volusia also acknowledge our jurisdiction, but they argue we are constrained in our exercise of that jurisdiction by the requirement of section 367.045(5)(b), Florida Statutes, which requires us to consider compliance with local comprehensive plans when we grant a service area. Titusville argues that we should decline jurisdiction over Farmton, given the nature of Farmton's proposal, the exemptions available, and the local comprehensive plans. Volusia contends that the Legislature intended the certification process to be a cooperative effort when land use issues or matters of particular concern to local governments are raised in certification proceedings.

None of these arguments effectively addresses the exclusive and preemptive language of section 367.011. While section 153.53, Florida Statutes, gives a local water and sewer district authority to approve construction of a water system within the district, that statute does not restrict our certification authority. It deals with construction of facilities, not certification of a utility service area. Section 367.011(4), Florida Statutes, clearly states that this chapter supersedes all other laws on the same subject. Chapter 153, Florida Statutes, was enacted before chapter 367, Florida Statutes, and is therefore expressly superseded as a limitation on our authority to regulate private utilities. Brevard's attempt to invoke section 153.53, Florida Statutes, in creating a requirement for local government approval prior to certification is not contemplated either by the plain language of section 367.011, Florida Statutes, or by the certification requirements of section 367.045, Florida Statutes. Similarly, Titusville's and Volusia's attempt to limit our certification authority by invoking section 367.045(5)(b), Florida Statutes, is misplaced. Section 367.045(5)(b) also provides that "the commission shall consider, but is not bound by, the local comprehensive plan of the county or municipality." See, City of Oviedo v. Clark, 699 So. 2d 316, 318 (Fla. 1st DCA 1997), where the court said:

We hold that the PSC correctly applied the requirements of section 367.045(5)(b). The plain language of the statute only requires the PSC to consider the comprehensive plan. The PSC is expressly granted discretion in the decision of whether to defer to the plan.

property within the district of any special tax districts, school district, or any other public corporations or bodies politic of any nature whatsoever, except municipalities.

² Section 153.86 provides:

No sewage disposal plant or other facilities for the collection and treatment of sewage or any water treatment plant or other facilities for the supply and distribution of water, shall be constructed within any district unless the district board shall give its consent thereto and approve the plans and specifications therefor; subject, however, to the terms and provisions of any resolution authorizing any bonds and agreements with bondholders.

Based on the provisions of chapter 367, Florida Statutes, court decisions, and prior Commission orders, we find that we have exclusive preemptive jurisdiction over the certification of private utilities.

FARMTON NOT EXEMPT FROM COMMISSION JURISDICTION PURSUANT TO
SECTION 367.022, FLORIDA STATUTES

Farmton's application proposes to provide retail potable water service, fire protection service, and bulk raw water service. The intervenors have argued that the proposed retail potable water service, bulk raw water service, and fire service would be exempt under section 367.022, Florida Statutes, which sets out exemptions from our jurisdiction. In particular, section 367.022 provides a exemptions for:

* * *

- (6) Systems with capacity or proposed capacity to serve 100 or fewer persons.

* * *

- (12) The sale for resale of bulk water supplies of water or the sale or resale of wastewater services to a governmental authority or to a utility regulated pursuant to this chapter either by the commission or the county.

Titusville contends that Farmton's proposed retail potable water service is exempt because section 367.022(6) specifically exempts systems with the capacity or proposed capacity to serve 100 or fewer persons. Rule 25-30.055, Florida Administrative Code, defines service of 100 or fewer persons as a capacity, excluding fire flow capacity, of no greater than 10,000 gallons per day. Titusville also contends that Farmton is exempt from our jurisdiction pursuant to section 367.022(12) and Rule 25-30.055 because Farmton does not have a contract or commitment from any entity to provide bulk water service and the potential customers that Farmton has identified are government entities. Titusville further contends that Farmton's proposed fire service is not in the public interest and that Miami Corporation, the property owner, can provide itself fire protection without our certification.

Farmton responds that section 367.022(6), which provides that systems with the capacity or proposed capacity to serve 100 or fewer persons are exempt from Commission jurisdiction, does not apply to its application because its proposed potable water service exceeds this minimum. Farmton also asserts that its proposed fire service is not exempt from our jurisdiction since section 367.022 makes no specific reference to an exemption related to fire service. Farmton further contends that its proposed bulk water service is not exempt from our jurisdiction because section 367.022(12) only provides an exemption for the sale or resale of bulk supplies of water to a governmental authority. Farmton states that while its original calculation of proposed bulk facilities was premised upon a potential for service to Titusville, Farmton's witnesses also provided examples of additional types of bulk raw water service to non-governmental entities that would not be exempt.

According to Witness Hartman, the capacity of the retail potable water wells is estimated to be 118,000 gallons per day. Rule 25-30.055(1), Florida Administrative Code, provides:

A water or wastewater system is exempt under section 367.022(6), Florida Statutes, if its current or proposed water or wastewater treatment facilities and distribution or collection system have and will have a capacity, excluding fire flow capacity, of no greater than 10,000 gallons per day or if the entire system is designed to serve no greater than 40 equivalent residential connections (ERCs).

Based on Mr. Hartman's testimony that Farmton will have the capacity to provide 118,000 gallons per day, Farmton has the proposed sufficient capacity to serve 472 ERCs, pursuant to Rule 25-30.055. Therefore, the utility's retail potable water service is not exempt from Commission jurisdiction. Witness Hartman also provided examples of types of bulk raw water service that the utility could serve that would not be exempt from Commission jurisdiction, such as the Osceola County fire district station, industrial customers, and Bell Ridge mobile home park. Section 367.022, Florida Statutes, does not provide a specific exemption for fire protection. Furthermore, it is our practice to grant one certificate for the provision of all classes of water service, and we often grant a certificate and approve tariffs for services that will not be immediately used. As we stated in East Central:

Indeed, it is common for this Commission to grant an original water certificate and approve rates for services for which there is no present, quantifiable need, but which may be in demand at a future time. Numerous utilities have approved tariffs with general service rates and/or multi-residential rates even though the utility's current customer base is residential only. Some have approved tariffs with residential rates even though the utility serves only general service customers. The granting of a certificate to provide water service in a territory does not imply that the certificate is issued for any specific class of service.

Farmton's application proposes retail potable water service, fire protection service, and bulk raw water service. The intervenors have not shown that these services are exempt under section 367.022, Florida Statutes. Since Farmton's proposed retail potable water service is not exempt from Commission jurisdiction, we find that Farmton is not exempt pursuant to the provisions of chapter 367, Florida Statutes.

NEED FOR SERVICE

Section 367.045(1)(b), Florida Statutes, requires an examination of the need for service in the requested area, and Rule 25-30.033(1)(e), Florida Administrative Code, requires an applicant for an original certificate to provide a statement showing the need for service in the proposed area. The modified application reflects a proposed territory which includes approximately 10,000 acres in Brevard County and 40,000 acres in Volusia County.

While the City of Titusville and Brevard and Volusia Counties have taken the position that there is no need for service, Farmton believes that it has adequately outlined the current and future needs for potable water, fire flow, and bulk water services. The City of Titusville points out that for retail service, Farmton failed to obtain or present evidence to support its position, and that it camouflaged the lack of scientific study or basis by concocting a series of confusing assumptions to attempt to create the appearance of need. The potential customers for bulk raw water are identified as government utilities, which would be exempt pursuant to section 367.022(12), Florida Statutes. For fire service, Titusville points out that Miami Corporation is the sole owner of the property, and it is unnecessary for a landowner, through a subsidiary, to charge itself for fire protection service. Brevard County believes that the utility's request is excessive and that it failed to provide evidence to support a need for potable water service on the 10,000 acres within Brevard County. Volusia County believes that the testimony and exhibits in this case are noticeably lacking in substantial competent evidence regarding a clear need for service in this area because the area is an unpopulated wilderness without need for such services at this time or into the reasonably foreseeable future.

As reflected in the utility's application, the proposed service area boundaries, which include approximately 50,000 acres within the counties of Volusia and Brevard, are generally contiguous with the property boundaries of its parent company, Miami Corporation. Farmton indicated that the existing and proposed retail potable service is and will be provided to customers across the proposed service area. The area includes commercial uses such as corporate headquarters, single family homes, and recreational buildings.

Farmton is seeking this certificate in part for long-range planning purposes to allow it to be prepared to provide service as and when needed to any residential, commercial or industrial development in the area. In order to manage the resources properly, Farmton witness Underhill believes that a certificate is necessary to control the withdrawal of water so that overpumping would not result in salt water intrusion and ruin the groundwater below the Farmton property.

Currently Farnton has three retail service customers that include the Miami Tract Hunt Club, the Miami Corporation, and the Clark Cattle Station. The retail potable water treatment facilities will be located near the proposed customers. The utility received a letter from Miami Hunt Club Inc. requesting service for its 260 member hunt club. Mr. Underhill testified that currently there has been no agreement reached to extend the hunting lease between the Miami Corporation and the 261 family members Miami Tract Hunt Club beyond May of 2006. Four campgrounds are planned with twenty-five campsites each. Mr. Underhill indicated that as the need expands, the utility would be prepared to meet the needs. He believes that there are significant needs that are already existing for potable water service. Although it is unclear what the future needs will be within the territory, Mr. Underhill states that there are absolutely no current plans by the landowner for further development, and, as such, no plans for substantial changes in the number of persons receiving potable water service. He states that there are places in and surrounded by the proposed territory that may, in the near future, require or request potable water service. He suggested that there is likely to be a transition from the silviculture operations towards residential, commercial, and industrial development of properties. In order to properly plan for the future, he believes that setting up a utility when those needs arise would not only be less efficient and ultimately more costly to customers, it would fragment the water resource management for the water demands within the area. While explaining various other needs for water service, Farnton witness Hartman stated that it is a tremendous benefit if water is provided for the health, safety, and welfare of the area. Mr. Hartman and Mr. Underhill both testified that there has been a customer request for water service from the Bell Ridge campgrounds, an enclave not owned by the Miami Corporation, which has 100 units.

The fire protection service will also be provided across the Miami Corporation property. With two existing wells, the total facilities necessary for the provision of the fire protection water supply will consist of the development and construction of 10 fire protection wells. The utility believes that these wells will enhance the fire fighting capabilities for Miami Corporation. Mr. Underhill recognized that when the existing fire wells were installed by Miami Corporation, a PSC certificate was not needed. However, he believes that a PSC certificate is necessary as part of the overall package of putting together all the needs and managing the resources properly.

The bulk raw water will be needed to supply non-potable water outside of the proposed service area. The utility believes that even though entities outside of the service area do not wish to be included in the service area at this time, the planning and development of Farnton will place the utility in the position to provide bulk raw water for their use in the future. Farnton anticipates that nearby water utilities will be in need of additional bulk raw water. This is because water supply forecasts from the St. Johns River Water Management District (SJRWMD) indicate that resources may be stressed and alternative water supplies may be needed. Mr. Underhill believes that it is apparent that the bulk raw water need will increase as urban areas approach the area. Although there have been discussions with the City of Titusville, Mr.

Underhill agreed that there are no contracts with Titusville or with any governmental or private entity.

Brevard witnesses Martens and Scott both testified that there is currently no existing or planned residential or commercial development proposed in the certificated area applied for by Farnton. Mr. Martens indicated that Brevard County has thousands of self-service potable water supply wells and he does not see that such facilities generate the need for a utility. Titusville witness Grant also testified that there is no need for potable water service because much of the existing needs in the proposed service area can be met with the existing water supply sources and infrastructure and additional potable water demands based on future growth described in the application are purely speculative. Grant indicated that she works closely with each of the public water utilities in northern Brevard County, and is not aware of any presently existing demand for bulk water in the region.

Mr. Underhill believes that the intervenors' statements that the service is not currently needed are clearly wrong in that there is demand for several types of service within the territory. Mr. Hartman also disagreed with witness Grant about her statement that there is no need for a utility in this area. There are requests for service in the proposed area for a public water utility, and an investor-owned utility that offers raw, fire protection, and potable water services provides many benefits for the area. Using East Central as an example, he provided a summary in which raw, fire, and potable water service are provided and the significant public benefit which was derived from those services. He stated that raw water resources have been a significant and not a speculative need in the Titusville water service area for 20 years. Neither the City of Cocoa nor Brevard County has offered to meet the raw water needs for Titusville. A component of Farnton's application serves the regional need for raw water in an appropriate fashion while allowing for proper water resource stewardship. The SJRWMD witness Burklew testified that Titusville has applied to modify its existing consumptive use permit (CUP). Mr. Hartman believes that the fact that Farnton has offered to assist and help Titusville with its raw water supply problems is a positive way to facilitate the appropriate and responsible development of water resources.

Volusia witness Marwick testified that the south-central portion of Volusia County has never been included within any of the groundwater simulation models used by either the SJRWMD or the Volusia Water Alliance (Volusia County). However, she also indicated that if there is any need for service, Volusia County through the Water Authority of Volusia (WAV), will incorporate the area and its water supply demands into the regional water supply plan. WAV was created in 2003 to oversee the management of Volusia County's water supply. However, Mr. Hartman believes that as long as Farnton's service area contains the impacts of water withdrawals within the service area, then the importance of the Farnton area being included in a simulation model is not great, but is rather informational to update those models.

SJRWMD witness Burklew testified that the SJRWMD has not received an application for a CUP from Farmton. At the hearing, he agreed with the premise that a utility must be certificated by this Commission prior to obtaining a CUP.

Mr. Underhill testified that until such time as there are customers for whom the construction of water facilities would be needed, there is no reason for Farmton to apply for water management district (WMD) permits. He indicated that the utility will certainly do so as soon as requests for services are made. He reaffirms that it does not change the fact of Farmton's need to plan for the provision of such services and for the appropriate, efficient, and effective management with the least environmental and resource impacts. He believes that Farmton is in the best position to do that. He points out that section 367.031, Florida Statutes, specifically provides that a utility should obtain a PSC certificate before it obtains a CUP.

We believe that the utility's application complies with section 367.045(1)(b), Florida Statutes, which requires an examination of the need for service in the requested area. This is consistent with our practice in dealing with a large service area owned by a single entity. In East Central, we stated:

We are concerned with the size of the proposed certificated territory in this case, some 300,000 acres, and the configuration of the facilities within that territory. Clearly, the need for service is not pervasive throughout the territory. This concern, however, is not cause to deny certification. We do not think it is in the public interest at this time to carve up a vast territory, which is all owned by one entity, so as to certificate only scattered portions thereof. Instead, we forewarn ECFS that pursuant to Section 367.111(1), Florida Statutes, we may delete any part of a utility's certificated territory, whether or not there has been a demand for service, within five years of authorizing that service.

Therefore, in consideration of the foregoing, we find that there is a need for water service in the proposed certificated territory.

Order No. PSC-92-0104-FOF-WU, at pp. 20-21

Based on the record, we find that there appears to be a need, although limited, for potable water service, fire protection service, and bulk service in the proposed service area; however, it is not known when all forms of service will be required. Though the evidence shows that the need for service is not pervasive throughout the territory, when considering all three services, we believe that the utility has proven that the need exists in both Brevard and Volusia Counties. Consistent with our finding in East Central, it is not in the public interest to carve up the Farmton territory, which is owned by the utility's parent company, and certificate only a portion of the territory.

COMPREHENSIVE PLANS

Section 367.045(4), Florida Statutes, provides that notwithstanding the ability to object on any other ground, a county or municipality has standing to object on the ground that the issuance of a certificate violates established local comprehensive plans developed pursuant to chapter 163, Florida Statutes. Section 367.045(5)(b), Florida Statutes, provides that, if an objection is made, we shall consider, but are not bound by, the local comprehensive plan of the county or municipality. Although Farnton's position is that its application is consistent with the Volusia and Brevard County comprehensive plans, the other parties, including the staff witness representing the Department of Community Affairs (DCA), take the position that the application is inconsistent with the comprehensive plans.

Farnton witness Landers testified that chapter 367, Florida Statutes, supersedes chapter 163, with respect to the regulation of privately owned utilities. He testified that a PSC application would never be inconsistent with a comprehensive plan because the definition of development pursuant to section 380.04, Florida Statutes, contained in chapter 163, Florida Statutes, and the county comprehensive plans, does not define a PSC service territory as development. Therefore, the creation of a PSC regulated water utility and designation of a service territory is not development subject to comprehensive plan regulation. He testified that the comprehensive planning process is a tool to manage, not prohibit, growth and development. Each county has a comprehensive plan that sets forth rules on how a landowner or developer can develop land and those plans can be amended pursuant to chapter 163, Florida Statutes. The development process includes a number of approvals that are required to meet the specifics of a particular development and, in most cases, having a central water system is a prerequisite to having a substantial commercial or residential development. Filing an application with the Commission is the correct first step in the process. He also testified that a PSC certificate does not, in itself, stimulate development or create any impacts on natural resources.

Brevard County Comprehensive Plan

Brevard County's position is that Farnton's application is inconsistent with its comprehensive plan because Farnton has not applied for the approval of the County Commission in either its capacity as governing body of the County or the Brevard County Water and Sewer District. Policy 3.4 of the Potable Water Element of the Brevard County Comprehensive Plan provides that newly proposed service areas, expanding restricted service areas, or PSC regulated service areas must be reviewed and approved by Brevard County, and Farnton has not sought that approval. Ordinance No. 03-032, which was created pursuant to chapter 153, Florida Statutes, provides that the Brevard County Water and Sewer District makes the determination as to whether to approve the construction of a water or sewer system.

Brevard County's comprehensive plan contains several objectives that address urban sprawl. Objective 4 recognizes the importance of protecting agricultural land because the

industry benefits the economy, reduces the extent of urban sprawl and the costs of providing public facilities and services, provides environmental benefits, and provides open space and visual beauty. Objective 5 of the comprehensive plan states that Brevard County shall maximize the use of existing facilities to discourage urban sprawl.

Brevard witnesses Martens and Scott testified that potable water service should not be extended into agricultural areas of Brevard unless the Board of County Commissioners has a chance to discuss the potential land use implications and deems it to be in the public interest. Mr. Scott also testified that it is inefficient to attempt to provide centralized potable water service in an area that can only be used for agriculture. The granting of a certificated area to provide water services in an agricultural area could set up an attempt at leapfrog development unless the system were limited to providing bulk raw water to other retail water providers in areas outside of the proposed certificated area.

Witness Scott testified that the utility's application for a certificate is not in violation of Brevard's comprehensive plan, but he believes that Brevard needs to review a proposed Commission regulated service territory and deem it consistent with its comprehensive plan prior to us granting approval. However, witness Scott is not aware of any violation of the comprehensive plan case law in regards to what Farmton proposes. He agrees that there are certain development planning advantages for large tracts of land owned by single landowners.

Farmton witness Landers agreed with the concept that from a planning standpoint, urban sprawl is undesirable. However, he disagreed with the premise that a central water system in a nonurban, rural, forested, uninhabited area would be the first step towards urban sprawl. He believes that urban sprawl occurs largely because of fragmented land ownership and the first step to urban sprawl has already been taken by allowing residential development to occur on small acreage. This is supported by DCA technical memos on the subject. He believes that it is the large land owners, like Farmton, who have the potential to best manage their property.

Mr. Landers testified that the Brevard County policy on water service areas provides that although Brevard is not permitted to extend services into the agricultural areas, Brevard will accept facilities and provide utilities in agricultural areas. This policy does not prohibit others from establishing districts through which water service can be provided; in fact, it actually establishes a mechanism through which they can do so. It appears to him that these rules provide support for establishment of water service territories rather than absolutely prohibiting them. While he maintains that we have ultimate jurisdiction over the granting of a water service territory, this would appear to establish basic grounds for Farmton to establish a water service territory. Therefore, it is Mr. Landers' opinion that Farmton's request is consistent with those provisions of the Brevard County Comprehensive Plan because a water service territory, in and of itself, is neither a land use nor development as defined by Florida's planning statutes and rules, and any development that would require or greatly benefit from central water service can be pursued and potentially implemented. Mr. Landers states that the Brevard witnesses suggest

that the land use plan can be amended to allow other uses than those currently allowed on any property. To him, this reference identifies a right that all land owners have under Florida's Growth Management statutes and rules, a right to seek an amendment to the Comprehensive Plan. It is Mr. Landers' opinion that designation of a water services territory will not in and of itself generate sprawl and that the Brevard plan contains numerous anti-sprawl policies, as required by chapter 163, Florida Statutes. Using East Central, as an example, he argues that a properly pursued and approved amendment to the future land use map would not constitute sprawl.

Farmton witness Hartman stated that Brevard County's referenced comprehensive plan policy could be appropriate if Brevard County has taken back jurisdiction from the Commission and if the applicant was solely in Brevard County. However, since the application is a multi-county application, Mr. Hartman maintains that this portion of the policy statement does not apply. If Farmton wishes to establish its service area, it is fully capable of doing so through the same process. Mr. Hartman believes that we have exclusive authority to certificate water utilities and not Brevard County, especially when there is a multi-county utility involved.

Volusia County Comprehensive Plan

Volusia County's position is that Farmton's application is inconsistent with the guiding goals, policies, and objectives of Volusia's comprehensive plan, including the Future Land Use Element. Volusia's major concern is unplanned or harmful urban growth in areas not contiguous to existing urban areas and the preservation of its natural resources.

Volusia witnesses Thomson and Marwick stated that the proposed application to establish a water utility is inconsistent with the comprehensive plan for Volusia County, and that the policies in the plan limit the provision of water and sewer service to urban future land use designations except for limited circumstances where a bona fide threat to the health, safety, and welfare can be established or if the comprehensive plan is amended to change the land use designation. The Future Land Use Plan Categories that encompass the area in the Farmton application do not include urban land use. The land use designations within Farmton's proposed service territory are Environmental System Corridor (ESC), Forestry Resource (FR), and Agricultural Resource (AR). The witnesses testified that central water service is not required for nonurban areas and, to date, Volusia has not considered any changes to its plan to establish urban land uses within the Farmton service area to justify the creation of a utility. Furthermore, the witnesses point out that the application does not address a need that could be considered consistent with the plan. These land use designations are not intended to support uses which will require an extensive, central water service system as proposed by Farmton.

Witness Thomson agreed that comprehensive plans can be modified over time. Although designating a service area would not impact natural resources, the action to do so would be inconsistent with the plan under chapter 163. Mr. Thomson agreed that Volusia would not lose

any of that authority and that our certification does not have any force or effect over any development proposal. However, it would play into the decision making process. In reference to urban sprawl, Mr. Thomson points out, that there is no strict definition of sprawl, although under the Department of Community Affairs Rule 9J-5, Florida Administrative Code, there are seven categories or indicators of urban sprawl. Mr. Thomson did not agree that the Volusia County service area was inconsistent with the comprehensive plan because of interlocal agreements with municipalities to provide service to unincorporated areas. He acknowledged that as far as he knew, Volusia has never taken any action against a utility that proposed to receive a certificate from this Commission. Also, he agreed that large tracts of land being owned by single landowners provide positive opportunities for planning purposes.

It is Farnton Witness Landers' opinion that the future land use element is not as restrictive as claimed, and that significant uses that would benefit from central water services are permitted under the plan. These provisions of the land use element do not prohibit the establishment of a water service territory as regulated by the Commission, and the establishment of a water service territory is not, in and of itself, a "land use" or "development" as defined by the Volusia County Comprehensive Plan or State Statute. The use of a residential Planned Unit Development (PUD) is consistent with the ESC, FR, and AR land use categories. Therefore, development that would require and could be supported by central water service is permitted in the Volusia County comprehensive plan upon Farnton's lands.

According to Witness Landers, the Volusia County comprehensive plan identifies a right that all land owners have under Florida's growth management statutes and rules to seek an amendment to the comprehensive plan. The fact that Farnton is the owner of a very large tract of currently rural land provides a very special land management opportunity that has been recognized by the State of Florida. Witness Landers believes that Farnton's ownership and proposed water utility provides an opportunity to manage a land and water resource in order to preserve the rural, environmental and agricultural resources as desired by Volusia County while providing a sound basis for such innovative development as rural villages or new towns. He believes that the resulting preservation of environmentally sensitive areas is consistent with the goals of Volusia's comprehensive plan, as well as consistent with the rural land planning strategy that DCA lays out in its Technical Memos and later actions concerning urban sprawl.

Witness Landers argued that chapter 163 does not enable local governments to regulate private utility certificated service areas through the comprehensive planning process. He also argued that the Planned Development Cluster provision for lands in Volusia County's plan contradicts Witness Thomson's assertions on this topic. He believes that this is due to the fact that Volusia County has determined all areas not within another governmental utility service area as its service area. It is clear to him that being in the Volusia service area does not mean that Volusia would actually serve the area. There is no classification in the land use or zoning for a PSC certificated territory. Therefore, Mr. Landers believes a certificate by itself should not

constitute "development" in Volusia County, and that Farmton is proceeding in proper order with the initial authority for certifying a water service territory with the Commission.

Farmton witness Underhill stated that both the comprehensive plan and water supply plan are documents that are regularly reviewed to reflect changes to growth patterns and demand as part of responsible planning. He notes that since water is an essential prerequisite to development it would seem that planning for water resources prior to anyone requesting a PUD, DRI, or other change, would be a logical step to ensure availability of water as and when needed.

DCA witness James testified that the DCA believes that the utility's proposal is inconsistent with several goals, objectives, and policies of Volusia and Brevard Counties and the City of New Smyrna Beach Comprehensive Plans. She points out that the utility services are proposed in an area that is completely rural with some of these areas containing natural resources that are environmentally sensitive, and the proposed services may result in urban sprawl development patterns. At the hearing, witness James agreed that the granting of a PSC certificate was not inconsistent with the comprehensive plans of Brevard and Volusia Counties, and that it was not development or land use. She indicated that her concern was that a certificate could be part of a possible domino-effect that could lead to a certain type of development even though the counties would retain the power and authority of comprehensive plan enforcement. In reference to urban sprawl and its effect on the environment, she had no knowledge of any case where the granting of a certificate led directly to urban sprawl or harmed the environment.

Mr. Hartman stated that, in his experience, there is no correlation between a PSC certificate and urban sprawl or that the utility element of the Comprehensive Plan under chapter 9J-5, would preclude certification in and of itself. In reference to the countywide service areas, to his knowledge the countywide generalized service area has not had an impact on other entities as they may expand or modify their utility service areas.

Summary

Based on the evidence, we believe that Farmton's request to provide water service in the proposed service territory appears to be inconsistent with portions of the Brevard County comprehensive plan. Policy 3.4 of the Brevard County comprehensive plan provides that newly proposed service areas, expanding restricted service areas, or PSC regulated service areas must be reviewed and approved by Brevard County. The Brevard County witness testified that Farmton's application is not inconsistent with the comprehensive plan, but also testified that the County must review and approve Farmton's proposal prior to this Commission granting approval. The testimony is not clear whether that provision contemplates that Brevard needs to review a proposed PSC regulated service territory and deem it consistent with Brevard's comprehensive plan prior to our approval. Assuming that Brevard County is the authority on the provisions of its comprehensive plan, the granting of a PSC certificate to Farmton prior to

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 16

Brevard County reviewing and approving the Farmton proposal appears to be inconsistent with the Brevard County's comprehensive plan.

With respect to the Volusia County comprehensive plan, the policies in the plan limit the provision of water and sewer service to urban future land use designations except for limited circumstances where a bona fide threat to the health, safety, and welfare can be established or if the comprehensive plan is amended to change the land use designation. The land use categories that encompass the area in the Farmton application include Environmental System Corridor (ESC), Forestry Resource (FR), and Agricultural Resource (AR), none of which are considered urban areas. Therefore, Farmton's application appears to be inconsistent with the portion of the Volusia County plan that limits the provision of water service to urban areas.

We believe, however, that consistent with our finding in East Central, the planning process, as detailed in the comprehensive plans for Brevard and Volusia Counties, does not supersede our authority pursuant to section 367.011, Florida Statutes. In East Central, we said:

Section 367.011(1), Florida Statutes, states that this Commission has exclusive jurisdiction over each utility with respect to its authority, service, and rates. Section 367.011(4), Florida Statutes, states that Chapter 367 supersedes all other laws on the same subject and that subsequent inconsistent laws shall supersede Chapter 367, Florida Statutes, only to the extent they do so by express reference. Chapter 163 does not make express reference to Chapter 367. Section 163.3211, Florida Statutes, specifically states, 'Nothing in this act is intended to withdraw or diminish any legal powers or responsibilities of state agencies or change any requirement of existing law that local regulations comply with state standards or rules.'

In consideration of the above, we do not think that ECFS's certification is inconsistent with Chapter 163.

Order No. PSC-92-0104-FOF-WU, at p. 26

The evidence presented clearly shows that a county's control over development is not reduced with the issuance of a certificate. The counties' hands are not tied when it comes to enforcement of their own comprehensive plans if and when rezoning is needed. Our certification does not deprive the counties of any authority they have to control urban sprawl on the Farmton properties. This includes Brevard County's right to maximize the use of existing facilities to discourage urban sprawl and the use of Ordinance No. 03-032 to approve the construction of a water or sewer system, and Volusia County's concerns over the construction of water facilities in nonurban areas. Therefore, we find that the issuance of a PSC certificate does not result in urban sprawl or harm to the environment.

In conclusion, although Farnton's application or our granting of a certificate to Farnton appears to be inconsistent with provisions of the Brevard and Volusia County comprehensive plans, pursuant to Section 367.045(5)(b), Florida Statutes, in light of the evidence presented in this case, that inconsistency shall not cause us to deny the utility's application. City of Oviedo, 699 So. 2d at 318.

COMPETITION WITH OR DUPLICATION OF FACILITIES

Pursuant to section 367.045(5)(a), Florida Statutes, we may not grant a certificate of authorization for a proposed system which will be in competition with, or duplication of, any other system or portion of a system, unless we first determine that such other system or portion thereof is inadequate to meet the reasonable needs of the public or that the person operating the system is unable, refuses, or neglects to provide reasonably adequate service. Section 367.021(11), Florida Statutes, defines "system" as facilities and land used and useful in providing service.

Farnton believes that there is little evidence that the creation of a utility will be in competition with, or duplication of any system operated by the three local governments. Although there was testimony that local governments might be able to provide service to the Farnton properties in the future, we have held that we cannot determine whether a proposed system will be in competition with or a duplication of another system when such other system does not exist. Brevard County believes that it has facilities that can provide service to the Miami Corporation property and any utility, including the Brevard County utilities department, can provide the limited type of service required by the one campsite in Brevard County. Titusville points out that Farnton never requested service from any of the surrounding local governmental entities and that bulk service will be duplicative with Titusville's planned bulk facility. Volusia County suggests that if Farnton's application is approved, it would create a situation where Volusia County and Farnton were both legally designated as the service providers, creating competition and confusion. It would also create a duplication of service, as Volusia is able, authorized, and expected to eventually extend its existing system through the adjacent City of Edgewater.

Titusville provides water service within five miles of Farnton. Brevard County is within two miles and Volusia County via the City of Edgewater is less than one mile from the proposed Farnton territory.

Farnton witness Hartman testified that no other system serves the proposed area, and it is his opinion that the proposed utility will not be in competition with or duplicate the services of any other water utility system. Even if there were such systems in the area, the existence of the facilities owned by Farnton currently providing those services would mean that service by any other entity would be a clear duplication of Farnton's existing service, and would be extremely inefficient.

Brevard County witness Martens testified that the County Commission has enacted an ordinance that requires any water provider or supplier to obtain the consent of the County Commission to construct facilities. Farmton has not sought consent under this provision. Martens contends that if Farmton were to build a water treatment facility, it would be a duplication of the Brevard system at the Mims plant, to the extent that the Mims Plant has excess capacity. In reference to Titusville's proposed raw water lines from a wellfield in northern Brevard County duplicating county services, he pointed out that the district has acknowledged Titusville's application to construct. Mr. Martens did indicate that Brevard County has been exceeding its consumptive use permit (CUP) with the SJRWMD for more than two years. He did not think that Brevard had an obligation to serve the unincorporated areas of the county, although it has a right to do so under the comprehension plan consideration. Mr. Martens agreed that if facilities were already in place at Farmton, Brevard's proposal to provide service would be a duplication of service. He also indicated that it is customary for the developer to build the facilities and dedicate them to the county for operation and maintenance.

Mr. Hartman points out that Brevard County does not provide either raw water service, fire protection service, or potable water service to the proposed certificate area. In addition, Brevard has not provided facilities, costs, specific plans, nor included the area within Brevard's active utility operations area. Farmton's proposed service area is outside of the established North Brevard water system service area and therefore would not use such capacity. He notes that Brevard County has not planned for and has not developed the cost of service to provide services for Farmton customers, and that the Farmton area and development of water resources does not adversely impact Brevard's existing water system or the expansions planned by Brevard. He believes that Mr. Martens has not testified that Brevard County could or would have facilities to serve countywide or to serve systems that are not planned for at this time by county utilities.

Witness Grant testified that Titusville is well positioned to meet the potable water needs of any communities in the vicinity of its service area that are not served by Brevard or another municipality. However, the urbanizing areas of northern Brevard County, that are not in the City of Titusville's service area, are in the Brevard County service area. Titusville does not have plans to expand its service area in the near term, because there is not an unmet need for potable water service in northern Brevard County at the present time. She points out that if a need for potable water supplies developed in that area, Titusville is in a very good position to meet those needs. Brevard County would also be in a good position to supply the need in the proposed service area in northern Brevard County. Titusville and Brevard have a history of working cooperatively to ensure that water supply needs are met. She believes that when a need arises, Titusville and Brevard will work cooperatively with any developers to determine which utility can best meet the water supply needs and reach an appropriate agreement. Titusville has a CUP application pending with the SJRWMD for the construction of a wellfield in northern Brevard County. Ms. Grant stated that Titusville's application does not ask to increase pumping; however, it does identify another wellfield from which Titusville can draw water. She indicated

that Titusville also purchases potable water from the City of Cocoa. Given its excess water treatment plant capacity, she believed that it would be cheaper for Titusville to obtain raw water rather than its current arrangement with Cocoa.

Mr. Hartman points out that Titusville's water treatment plant is several miles away and would require a costly duplication of pipelines for service, and such service could not be as efficient or effective as service provided by Farmton. In addition, Brevard County does not have the Water Use Permit capacity or facilities to provide the services currently needed.

Farmton witness Drake notes that Titusville's service area does not include the Farmton area. He pointed out that Ms. Grant's statement that Titusville will meet all its projected needs, is contradicted by the fact that it has applied to the SJRWMD for a new wellfield in order to meet projected demands. Mr. Drake does not agree that Titusville is in a good position to meet the potable water needs of northern Brevard County, which includes the Farmton area. He believes that it is unlikely that Titusville could provide potable water at a reasonable cost to customers in northern Brevard County when the potable water would have to be pumped from Titusville's plant, versus it being pumped and treated locally. The proposal to meet the needs for water service in this area would therefore be very costly, many times the costs which service by Farmton would entail.

In reference to Titusville's SJRWMD application status, it is Mr. Drake's opinion that Farmton would be the far superior provider of water because it has significantly more land area in which to develop groundwater supplies, and has a vested interest in limiting adverse impacts to its lands, wetlands and silviculture operations. This includes the permitted wetland mitigation banks that are on the property.

Volusia County witness Marwick testified that while the Miami Corporation has not demonstrated a need for a potable water distribution system and treatment facilities, if such a need is ever demonstrated, Volusia utilities, through WAV, is prepared to serve the area. However, she did state that Volusia County requires developers to provide and dedicate potable water and wastewater systems within any new development to Volusia County.

Mr. Hartman suggests that Farmton's water use would be contained primarily on-site and would not impact any of Volusia's systems. The City of Edgewater would not be impacted and the cones of influence would not overlap. Volusia County does not have a system in its southeastern area of the county, and the closest county system is over 10 miles away. Volusia County also does not have any plans for service to the Farmton area. Mr. Hartman stated that the Brevard and Volusia County ordinances and their active utility service areas do not apply in this case. Mr. Hartman points out that while witnesses from Brevard, Titusville, and Volusia have suggested their ability to provide service as and when there is need to this area, none proposed to provide the raw water, fire protection or potable water service to Farmton. None have planned to

serve the area, none have the availability to serve the area, and none have budgeted to serve the area.

In East Central, we addressed the issue of competition or duplication of proposed systems, stating:

We cannot determine whether a proposed system will be in competition with or a duplication of another system when such other system does not exist. We do not believe Section 367.045(5)(a), Florida Statutes, requires this Commission to hypothesize which of two proposed systems might be in place first and, thus, which would compete with or duplicate the other. Engaging in such speculation would be of little use.

Order No. PSC-92-0104-FOF-WU, at p. 22

Based on the testimony provided by Brevard and Volusia County, and the City of Titusville, those entities do not have existing facilities within the proposed Farmton service territory. Although Volusia County indicated that it is prepared to serve the Farmton territory if a need is demonstrated, no testimony was provided to show that it has the capacity or plans to do so. The nearest Brevard County water facility, Mims, is two miles away, but is exceeding its CUP. Titusville's service area is five miles away from Farmton's proposed service area. In addition, none of the intervenors adequately addressed the need for raw water, fire protection, or retail potable water service. When considering the three services, we believe that the utility has shown that it can best provide the required water service in its proposed service territory in both Brevard and Volusia Counties. Miami Corporation is already providing a limited amount of water to the hunt club as well as several other Miami Corporation facilities.

While both Volusia and Brevard Counties testified that they would serve or have a right to provide water service throughout each of their respective counties, these statements of intent are insufficient to demonstrate that Farmton's proposal would be in competition with, or duplication of those systems. Consistent with our findings in East Central, since the intervenors have not demonstrated that they have existing facilities in place to serve Farmton, we find that the utility's application complies with section 367.045(5)(a), Florida Statutes, in that it will not be in competition with, or duplication of any other system.

FINANCIAL ABILITY

Section 367.045(1)(b), Florida Statutes, and Rule 25-30.033(1)(e), Florida Administrative Code, require a statement showing the financial ability of the applicant to provide service. Farmton believes it has demonstrated its financial ability to serve. Titusville and Brevard believe that Farmton has not. Volusia has taken no position.

According to Farnton's application, Farnton is a limited liability corporation, incorporated in Delaware on February 26, 2002, and registered to do business in Florida on March 20, 2002. Because Farnton is a limited liability corporation, it has no corporate officers or directors. Farnton's application further states that Farnton Management LLC is its sole member and owner. Farnton Management LLC is owned by the Miami Corporation, which has owned and managed the land and water resources in Farnton's proposed service area for over 75 years.

In its application, Farnton indicated that because it cannot receive utility revenue from existing customers until this Commission approves its rates and charges, there is no detailed balance sheet, statement of financial condition, or operating statement available for Farnton. Instead, Farnton filed financial statements for Farnton Management LLC which indicate that Farnton Management LLC had \$1,247,917 of member capital as of March 31, 2004.

The original financial statement for Farnton Management LLC was accompanied by an affidavit from Farnton Management LLC which indicated that it will provide or assist Farnton in securing necessary funding to meet all reasonable capital needs and any operating deficits on an as and when needed basis. Since Farnton Management LLC's assets come from its member's capital, our staff requested that Farnton provide a similar pledge of financial support from the Miami Corporation. Farnton Witness Underhill provided an affidavit to that effect. Mr. Underhill is Vice President of Operations for Farnton. He has also been Director of Operations of the Farnton property for the Miami Corporation for the last 25 years. Mr. Underhill further testified that the basis for his position that the Miami Corporation has the ability to provide for any of Farnton's capital needs is the value of the land which Miami Corporation owns free and clear. In addition, Mr. Underhill testified that Farnton has no expectations of any need for capital improvements, as there is no anticipated development of any significance within the proposed service territory. The only possibility of significant capital expenditures is for bulk raw water services. However, under Farnton's proposed service availability policy, a substantial amount of the capital cost will be paid by the proposed customer. Mr. Underhill believes that if any additional capital costs exist, those costs can easily be met from funding provided by Farnton's parent.

In its Brief, Farnton stated that none of the intervenors provided any evidence at hearing in support of the position that Farnton has not established financial ability. In its Brief, Titusville did not factually dispute that Farnton had financial ability. Instead, Titusville argued that Farnton's filing on financial ability was deficient because:

- (1) Farnton did not provide a detailed financial statement required by Rule 25-30.033(1)(r), Florida Administrative Code, even though it has been in existence for over a year;
- (2) Rule 25-30.033(1)(r), Florida Administrative Code, does not allow for the substitution of a parent's financial statement for that of the utility;

- (3) The one page summary of Farmton Management LLC's assets and liabilities is not sufficiently detailed to make a determination of financial ability; and
- (4) The affidavits of support provided by Farmton's parents are not competent evidence because they are hearsay and not enforceable.

In support of Titusville's argument that the one page summary of the assets and liabilities of Farmton's parent company is not sufficiently detailed for us to determine whether Farmton, or its parent, has the financial ability to operate the water systems proposed in the application in a safe and reliable manner, it cited Order No. PSC-01-0992-PAA-WU, issued April 20, 2001, in Docket No. 001049-WU, In Re: Application for original water certificate in Charlotte County by Little Gasparilla Water Utility, where we conducted a detailed review of a recent tax return, balance sheet, and profit and loss statement.

The requirement for a showing of financial ability for Farmton's application falls under Rule 25-30.033(1)(e), Florida Administrative Code, not Rule 25-30.033(1)(r), Florida Administrative Code. With respect to the detailed financial statement required by Rule 25-30.033(1)(r), Farmton's application contained a statement that it has no detailed balance sheet, statement of financial condition, or operating statement because it cannot charge for service until we approve its rates and charges. Although at least one fiscal year has passed since Farmton was established, Farmton's authority to charge for service is still pending before us.

With respect to the substitution of a parent's financial statement for that of the utility, it has been our practice to accept a statement of the parent's financial ability in original certificate cases where the utility has not yet established a financial history.³ In addition, we have traditionally recognized the vested interest of a parent in the financial stability of the utility.⁴ Farmton provided a statement of assets and liabilities of Farmton Management LLC which indicated that the parent has sufficient assets, without debt, to cover over half of the capital cost of constructing the utility facilities. In addition, Witness Underhill testified that the value of the land, which Miami Corporation owns free and clear, should demonstrate that it has the financial ability to provide for any of Farmton's capital needs.

³ See, Order No. PSC-02-0179-FOF-WS, issued February 11, 2002, in Docket No. 010859-WS, In re: Application for original certificate to operate water and wastewater utility in Sumter County by North Sumter Utility Company, L.L.C., and Order No. PSC-01-1916-FOF-WS, issued September 24, 2001, in Docket No. 990696-WS, In re: Application for original certificates to operate a water and wastewater utility in Duval County and St. Johns Counties by Nocatee Utility Corporation

⁴ See, Order PSC-03-0787-FOF-WS, issued July 2, 2003, in Docket No. 020991-WS, In re: Application for transfer of majority organizational control of Service Management Systems, Inc., holder of Certificates Nos. 517-W and 450-S in Brevard County, from Petrus Group, L.P. to IRD Osprey, LLC d/b/a Aquarina Utilities, and Order PSC-03-0518-FOF-WS, issued April 18, 2003, in Docket No. 020382-WS, In re: Application for transfer of facilities and Certificate Nos. 603-W and 519-S in Polk County from New River Ranch, L.C. d/b/a River Ranch to River Ranch Water Management, L.L.C.

Rule 25-30.033(1)(e) is silent on the specific information necessary for a showing of financial ability. In the order cited by Titusville, the evidence of financial ability was a corporate tax return along with a balance sheet and profit and loss statement for a utility that was already in existence and charging rates. As previously stated, Farmton has provided an explanation why it does not yet have a financial statement.

In its brief, Titusville asserts that the affidavits of Farmton's parent companies are not competent evidence of a commitment to provide financial support to Farmton. Therefore, Titusville asserts that the affidavits cannot be used as evidence of the matters asserted in the documents because hearsay evidence cannot be considered except to corroborate other non-hearsay evidence. Titusville argues that Farmton failed to offer any non-hearsay evidence of financial commitments by its parent companies. The affidavits corroborate Farmton Witness Underhill's testimony at the hearing. Mr. Underhill, employed by Miami Corporation as the Director of Operations for Farmton, provided testimony that Farmton does have the financial ability to provide service and stated that Farmton Management, LLC has ample resources to fund the utility's needs and has pledged to do so.

As noted, Brevard's position is that Farmton Water Resources, LLC is a limited liability company with no directors or officers and it has produced no financial statements or tax returns. The only evidence on financial ability is a third party's representation that Farmton would receive financial backing. We agree with Brevard that Farmton is a limited liability company. With respect to Brevard's remaining statements, we believe that they have been addressed above.

Based upon the financial statement provided for Farmton Management LLC, the pledges of financial support by Farmton's parent and grandparent, and the corporate longevity and holdings of the Miami Corporation, we find that Farmton has demonstrated the financial ability to serve the requested territory.

TECHNICAL ABILITY

Section 367.045(1)(b), Florida Statutes, and Rule 25-30.033(1)(e), Florida Administrative Code, require a utility applying for an original certificate to provide information showing that it has the technical ability to provide service in the area requested. Technical ability usually refers to the utility's operations and management abilities, and whether it is capable of providing service to the development in question.

Farmton witnesses Underhill, Drake, and Hartman testified that Farmton has the technical ability to provide the service proposed in its application. In addition to Mr. Underhill's extensive experience in managing water resources and knowledge of those issues, the services of Hartman & Associates, as consulting engineers, and other regulatory experts will be enlisted to assist in operating the utility. The same personnel who have operated the water facilities for many years in the past will continue to operate those in the future, simply working for the utility instead of

the landowner. The utility will employ competent, experienced persons in utility areas for those purposes. Farmton believes that since there was no evidence to the contrary, we should find that it has sufficient technical ability to serve the requested territory.

Titusville believes that there is not competent substantial evidence that Farmton has the technical ability to operate the utility in a manner that will provide safe and reliable water service. According to the evidence, Farmton's only experience is with agricultural operations. It has no experience with the types of potable water facilities identified in the application. Farmton's vice president of operations has no experience managing a public water utility. Pursuant to Ordinance 03-032, Brevard County believes that by failing to apply to the District board for consent and construction plan approval, we cannot find that Farmton has the technical ability to provide potable water service. Volusia County takes no position.

The utility has represented that it will employ competent, experienced persons for the technical purposes of operating a utility. With the continued services of Hartman and Associates, coupled with the existing experience of the Farmton employees, we see no indication that a high level of technical ability cannot be maintained by the utility. Also, as previously stated, certification does not deprive the counties of any authority. This includes Brevard County's use of Ordinance No. 03-032 to approve the construction of a water or sewer system. We have no reason to believe that the utility will not adhere to that ordinance when it is appropriate for it to do so. Therefore, we find that the utility has the existing and potential technical ability to serve all the needs of the requested territory. This is consistent with our decisions in other original certificate applications.⁵

PLANT CAPACITY

Farmton believes that the application and the testimony of its witnesses clearly demonstrate that it has sufficient capacity in the existing or proposed facilities, and that there was no evidence to the contrary. According to Farmton's application, the retail potable water treatment facilities will be located near the proposed customers. One existing well will be used for retail service and six will be constructed. The facilities necessary for the provision of the fire protection water supply will consist of two existing, and the development and construction of 10 additional, fire protection wells. The utility believes that these wells, which will be strategically located throughout the service area, will enhance the fire fighting capabilities for Miami Corporation. During Phase I, the utility plans for the development and construction of seven bulk raw water supply wells and the associated equipment and water transmission mains. Eight additional water supply wells will be constructed during Phase II. The bulk raw water service will consist of pumping water from wells and delivering it to the entities in need of such water

⁵ PSC-02-0179-FOF-WS, issued February 11, 2002, in Docket No. 010859-WS, In re: Application for original certificate to operate a water and wastewater utility in Sumter County by North Sumter Utility Company, L.L.C.; PSC-96-0124-FOF-WU, issued January 24, 1996, in Docket No. 950120-WU, In re: Application for certificate to provide water service in Manatee and Sarasota Counties by Braden River Utilities, Inc.

for treatment to potable drinking water standards. Farmton anticipates that nearby water utilities will be in need of additional bulk raw water. Farmton witnesses Drake and Hartman contend that the application and supporting documents reflect that Farmton has the capacity to serve all of the needs for existing services and are in the best position to obtain additional capacity needed for the other proposed services.

Titusville points out that Farmton has requested this Commission to certificate a 50,000 acre territory. However, the wells proposed are small and not interconnected, and therefore will not provide sufficient capacity to serve the territory. Brevard County believes that there is no dispute that Brevard County has enacted Ordinance 03-32 creating a water and sewer district, and that Farmton has not applied to the District for consent to construct facilities. Volusia County took no position in the matter.

We find Farmton's position persuasive. Mr. Hartman testified that Farmton either has or is taking appropriate measures to ensure sufficient plant capacity to provide the proposed service. Pursuant to section 367.031, Florida Statutes, a utility must obtain a certificate of authorization from the Commission prior to being issued a permit by the DEP for the construction of a new water or wastewater facility or prior to being issued a consumptive use or drilling permit by a water management district. We believe that Farmton is correct in pursuing a PSC certificate prior to approaching the DEP, WMD, Brevard County, or any other entity that may require authorization to construct the facilities necessary to provide water service. We believe that the utility has shown that it has the financial and technical ability to efficiently provide sufficient existing and potential capacity for all services needed in the proposed service area. In reference to Brevard County's Ordinance 03-032, it was previously noted that certification does not deprive the counties of any authority they have to oversee urban sprawl on the Farmton properties. This includes Brevard County's use of Ordinance No. 03-032 to approve the construction of a water or sewer system. We believe that the utility will adhere to that ordinance when it is appropriate for it to do so. Therefore, we find that Farmton has sufficient existing and potential capacity for all services needed in the proposed service area.

LAND

Rule 25-30.033(1)(j), Florida Administrative Code, requires evidence that the utility owns the land upon which the utility treatment facilities are, or will be, located or a copy of an agreement which provides for the continued use of the land. Parties have stipulated, noting that Volusia, Brevard, and Titusville took no position, that Farmton has provided evidence that it has continued use of the land upon which the utility treatment facilities are or will be located. Accordingly, the utility shall file an executed and recorded copy of its lease with the Miami Corporation by October 21, 2004.

NOTICING AND FILING REQUIREMENTS

Rules 25-30.030 and 25-30.033, Florida Administrative Code, set forth the filing and noticing requirements for this Application. Farmton contends that Witness Hartman provided testimony concerning the noticing requirements of our rules and specifically stated that Farmton's noticing complies with the rules and statutes. Titusville asserts that Farmton failed to meet the filing requirements by filing incomplete and incorrect information. According to Titusville, it is difficult to understand the service Farmton proposes because Farmton has prepared many exhibits changing its proposed service, but has never amended its Application. While it is true that Farmton filed multiple exhibits changing its proposed service, there is no rule requirement that Farmton amend its application. Titusville further asserts that Farmton failed to provide any credible evidence of need, any financial statement, proof of financial ability, proof of technical ability, and proof of public interest. We disagree. Based on the evidence in the record, Farmton has provided this information in accordance with our rules. Accordingly, we find that Farmton has met the filing and noticing requirements set forth in Rules 25-30.030 and 25-30.033, Florida Administrative Code.

GRANTING OF CERTIFICATE NO. 622-W

Based on the above, we find that Farmton has demonstrated: 1) that there is a need for service; 2) that the application will not be in competition with, or duplication of, any other system; and 3) that it has the financial and technical ability to provide for service along with the ability to pursue the steps necessary to obtain sufficient plant capacity. In addition, we believe that granting of a certificate to Farmton will not deprive the counties of their ability to control development under their comprehensive plans or ordinances. As such, we find that Farmton has proven that its application is in the public interest. Accordingly, Certificate No. 622-W shall be issued to Farmton Water Resources LLC to serve the territory described in Attachment A, attached hereto, and to charge the rates approved herein.

RETURN ON EQUITY

Rule 25-30.033(3), Florida Administrative Code, provides that the return on common equity be established using the current equity leverage formula established by order of the Commission pursuant to section 367.081(4), Florida Statutes, unless there is competent substantial evidence supporting the use of a different return on common equity. Farmton has projected a capital structure of 40% equity and 60% debt. Therefore, we find a return on equity for Farmton of 11.40%, with a range of plus or minus 100 basis points, is consistent with the current leverage graph formula found in Order No. PSC-04-0587-PAA-WS and a 40% equity ratio, and is hereby approved.

RATES AND CHARGES

Pursuant to Rule 25-30.033, Florida Administrative Code, Farmton filed proposed initial rates for retail potable, fire protection, and bulk raw water. None of the parties have disputed the

actual rates and charges. Instead, Titusville disputes the need for the rates and charges. Brevard and Volusia Counties have taken no position.

Rate Base Farmton's projected rates are based on the rate base calculations shown on Schedule No. 1. The projected rate base for retail potable water, fire protection, and bulk raw water services is \$7,616, \$495, and \$1,773,568, respectively, based on the utility's projected costs at 80% of the design capacity of Phases I and II, which is expected to be reached in 2009 or eight years from start-up.

We find that Farmton's projected rate base for retail potable water, fire protection, and bulk raw water services are reasonable and are hereby approved. Projected rate base is established only as a tool to aid us in setting initial rates and is not intended to formally establish rate base.

Cost of Capital Farmton's projected capital structure, shown on Schedule 2, consists of 40% equity and 60% debt. Farmton had originally proposed cost of capital of 9.00% based on a return on equity of 11.10%. As previously discussed, return on equity is 11.40% pursuant to the current leverage graph formula in Order No. PSC-04-0587-PAA-WS. The utility's projected cost of debt is 7.60%, which we find to be reasonable. As such, we find that the utility's initial rates shall reflect an overall cost of capital of 9.12% based on 40% equity at 11.40% and 60% debt at 7.60%.

Return on Investment The projected return on investment is shown on Schedule 3 as net operating income. Based on the projected rate base for each system in Schedule 1 and the projected overall cost of capital of 9.12%, we find that the return on investment for retail potable water, fire protection, and bulk raw water shall be \$695, \$45, and \$161,749, respectively.

Revenue Requirements The projected revenue requirement, operating and maintenance expenses, depreciation and amortization, and taxes other than income are shown on Schedule 3. The utility's proposed operating and maintenance expenses at 80% of design capacity, including purchased power, contractual services, and rent royalties for use of the land, appear reasonable. As a limited liability company, Farmton has no income tax expense. Therefore, revenue requirements for retail potable water, fire protection, and bulk raw water services of \$8,164, \$4,192, and \$553,403, respectively, are reasonable and are hereby approved.

Rates and Rate Structure The approved rates for retail potable water, fire protection and bulk raw water service, shown on Schedule 4, are based on the utility's proposed revenue requirements, adjusted to reflect the return on equity. The approved monthly retail potable water rates for residential and general service customers include a base facility charge based on meter size and a uniform charge per 1,000 gallons of usage. Farmton's Exhibit 41 included a separate base facility charge of \$83.00 per month for each 2 inch well used by the hunt camp based on expected demand at each well. Farmton Witness Hartman clarified that it was Farmton's intent

to bill based on meter size and not ERCs. Therefore, we find that the hunt camp customers shall be billed using the base facility charge based on meter size, and not a charge based on demand (per ERC). The proposed rates for fire protection include a monthly base facility charge per well. The proposed bulk raw water rate structure includes an annual base charge per 0.5 MGD of committed capacity, a take or pay gallonage charge per 1,000 gallons of committed capacity, and a gallonage charge for usage above the committed capacity.

Miscellaneous Service Charges Rule 25-30.460, Florida Administrative Code, defines four categories of miscellaneous service charges. Farnton's proposed miscellaneous service charges, shown on Schedule 4, are consistent with this rule and are hereby approved.

Farnton shall file revised tariff sheets containing the rates and charges approved herein by October 21, 2004. The tariff shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, Florida Administrative Code. Farnton is hereby put on notice that it shall charge the rates and charges in its approved tariff until authorized to change by the Commission.

SERVICE AVAILABILITY CHARGES

Pursuant to Rule 25-30.580(1), Florida Administrative Code, the maximum amount of contributions-in-aid-of-construction, net of amortization, should not exceed 75% of the total original cost, net of depreciation, of the utility's facilities and plant when the facilities and plant are at their designed capacity.

Farnton believes the appropriate service availability charges are those contained in Exhibit 3. Titusville believes that the service availability charges in Farnton's initial application are inappropriate because Farnton never sought to include the changes in Exhibit 41 in its application. Brevard and Volusia have no position.

Farnton originally requested approval of the following service availability charges.

<u>Service</u>	<u>System Capacity Charge</u>	<u>CIAC Level</u>
Retail potable, per ERC (350 GPD)	\$ 356.65	75%
Fire protection, per well	\$2,640.00	100%
Bulk raw water, per ERC (350 GPD)	\$ 421.51	60%
per Gallon	\$ 1.20443	

Retail Potable Service

Farmton's proposed system capacity charge for retail potable water service of \$356.65 per ERC is based on the estimated capital costs for construction of its retail potable water wells and associated facilities. Farmton's proposed service availability policy and charges will result in contributions-in-aid-of-construction (CIAC) for retail potable water service in the amount of 75% of its capital cost. According to its proposed service availability policy, Farmton will be responsible for the construction and ownership of all proposed water facilities, including all wells, treatment, and distribution facilities up to the point of delivery of service to the customer.

Fire Protection

Farmton's proposed system capacity charge for fire protection service of \$2,640 per well is based on the estimated capital costs for the construction of the wells and associated facilities. Farmton proposes to recover 100% of the cost of its fire protection facilities through CIAC. According to its proposed service availability policy, Farmton will be responsible for construction and ownership of all proposed fire protection wells and facilities up to the point of delivery of service to the customer.

Bulk Raw Water

Farmton's proposed system capacity charge for bulk raw water service of \$421.51 per ERC (\$1.20443 per gallon) is based on the estimated capital costs for its bulk raw water wells and facilities. Farmton proposes to collect 60% of its capital costs in CIAC. According to its proposed service availability policy, Farmton will be responsible for construction and ownership of all wells and facilities up to the point of delivery of service to the customer. The point of delivery for raw bulk water is described to be at the boundary of Farmton's service territory. The customer will be responsible for construction and ownership of all facilities beyond the point of delivery.

Titusville has taken the position that Farmton's service availability charges are inappropriate because it never sought to amend its application to include the revisions in Exhibit 41. Farmton argued that Titusville did not provide any evidence or witness, nor did it elicit any evidence on cross-examination in support of its position that Farmton's service availability charges were inappropriate.

We believe that neither Exhibit 38 nor Exhibit 41 modify Farmton's proposed service availability charges. Exhibit 38 redistributed the capital costs for retail potable service based upon a different meter configuration than originally proposed. However, the total capital cost upon which service availability charges were calculated remained unchanged. Exhibit 41 removed income tax expense from the revenue requirement, but the capital costs and ERCs used to calculate service availability charges were not changed.

Although the proposed system capacity charge for fire protection is designed to allow Farmton to recover 100% of its capital investment associated with those assets, Farmton also

proposes to limit the collection of CIAC to 60% of its investment in bulk raw water facilities. In the aggregate, Farnton's projected CIAC level at design capacity for retail potable water, fire protection, and bulk raw water facilities is expected to be approximately 60%.

Accordingly, we find that Farnton's proposed service availability policy and charges as set forth herein are consistent with the guidelines of Rule 25-30.580, Florida Administrative Code, and are hereby approved. The charges shall be effective for connections made on or after the stamped approval date on the tariff sheets.

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC)

Rule 25-30.033(4), Florida Administrative Code, allows utilities obtaining initial certificates to accrue allowance for funds used during construction (AFUDC) for projects found eligible pursuant to Rule 25-30.116(1), Florida Administrative Code.

The leverage graph formula in Order No. PSC-04-0587-PAA-WS generates a return on equity of 11.40% at Farnton's proposed 40% equity ratio. This return on equity results in an annual AFUDC rate of 9.12% and a discounted monthly rate of 0.7596837%. We find that these rates are hereby approved and shall apply to the qualified construction projects beginning on or after the date the certificate of authorization is issued.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Farnton Water Resources LLC's application for an original water certificate is hereby granted to serve the territory set forth in Attachment A. It is further

ORDERED that Certificate No. 622-W shall be issued to Farnton Water Resources LLC, 1625 Maytown Road, Osteen, Florida, 32764. It is further

ORDERED that all matters contained herein, whether set forth in the body of this Order or in the schedules attached hereto are incorporated herein by reference. It is further

ORDERED that Farnton Water Resources LLC initial rates and charges shall be those set forth in the body of this Order. It is further

ORDERED that a return of equity of 11.40%, with a range of plus or minus 100 basis points, is hereby approved for Farnton Water Resources LLC. It is further

ORDERED that Farnton Water Resources LLC shall file tariffs which reflect the rates and charges approved in this Order. It is further

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 31

ORDERED that an allowance for funds used during construction for Farnton Water Resources LLC of 9.12% and a monthly discounted rate of 0.7596837% shall be applied to qualified construction projects beginning on the date the certificate of authorization is issued. It is further

ORDERED that Farnton Water Resources LLC shall file revised tariff sheets containing the approved rates and charges by October 21, 2004. It is further

ORDERED that Farnton Water Resources LLC shall file an executed and recorded copy of its lease with Miami Corporation by October 21, 2004. It is further

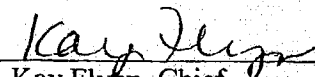
ORDERED that the rates and charges set forth herein shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, Florida Administrative Code. It is further

ORDERED this docket shall be closed administratively after the time for filing an appeal has run, upon verification that the utility has filed an executed and recorded copy of its lease, and upon the filing and approval of the revised tariff sheets.

By ORDER of the Florida Public Service Commission this 8th day of October, 2004.

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

By:



Kay Flynn, Chief
Bureau of Records

(SEAL)

KEF

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 32

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.

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 33

ATTACHMENT A

Farmton Water Resources, LLC.
Water Territory

TOWNSHIP 18 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 13 AND 14
THE EAST 1/2 OF SECTIONS 15 AND 22
ALL OF SECTIONS 23, 24, 25, 26, 27, 28, 31, 32, 33, 34, 35 AND 36.

TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29

LESS AND EXCEPT THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5

LESS AND EXCEPT THE EAST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4; AND THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6

LESS AND EXCEPT THE WEST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4; AND THE WEST 1/2 OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; AND THE EAST 3/4 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; AND THE WEST 1/2 OF THW SOUTHWEST 1/4 OF THE SOUTHEAST 1/4; AND THE WEST 3/4 OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4; AND THE WEST 1/4 OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4; AND THE WEST 1/4 OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4; AND THE EAST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 7

LESS AND EXCEPT THE EAST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4; AND THE EAST 1/2 OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4; AND THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 8

LESS AND EXCEPT THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 16

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,486.51 FEET; THENCE RUN S.01°21'39"E., FOR A DISTANCE OF 515.09 FEET TO THE POINT OF BEGINNING; THENCE RUN S.89°33'37"E., FOR A DISTANCE OF 521.14 FEET; THENCE RUN S.00°32'06"W., FOR A DISTANCE OF 150.63 FEET; THENCE RUN S.89°20'51"W., FOR A DISTANCE OF 515.94 FEET; THENCE RUN N.01°21'39"W., FOR A DISTANCE OF 160.55 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,487.87 FEET; THENCE RUN S.00°44'27"E., FOR A DISTANCE OF 253.23 FEET TO THE POINT OF BEGINNING; THENCE

ORDER NO. PSC-04-0980-FOF-WU

DOCKET NO. 021256-WU

PAGE 34

ATTACHMENT A

RUN N.89°51'24"E., FOR A DISTANCE OF 50.00 FEET; THENCE RUN S.00°44'47"E., FOR A DISTANCE OF 100.76 FEET; THENCE RUN S.88°59'51"W., FOR A DISTANCE OF 50.01 FEET; THENCE RUN N.00°44'27"W., FOR A DISTANCE OF 101.51 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,643.36 FEET; THENCE RUN S.00°52'09"E., FOR A DISTANCE OF 1,185.77 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°16'13"E., FOR A DISTANCE OF 49.07 FEET; THENCE RUN S.00°40'06"E., FOR A DISTANCE OF 99.13 FEET; THENCE RUN S.89°33'32"W., FOR A DISTANCE OF 48.72 FEET; THENCE RUN N.00°52'09"W., FOR A DISTANCE OF 98.89 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,704.56 FEET; THENCE RUN S.00°20'35"E., FOR A DISTANCE OF 1,482.69 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°18'56"E., FOR A DISTANCE OF 52.32 FEET; THENCE RUN S.01°22'15"E., FOR A DISTANCE OF 99.28 FEET; THENCE RUN S.89°28'14"W., FOR A DISTANCE OF 54.10 FEET; THENCE RUN N.00°20'35"W., FOR A DISTANCE OF 99.13 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 1,916.36 FEET; THENCE RUN S.00°55'35"E., FOR A DISTANCE OF 883.67 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°29'23"E., FOR A DISTANCE OF 70.19 FEET; THENCE RUN S.00°50'18"E., FOR A DISTANCE OF 100.39 FEET; THENCE RUN S.89°23'11"W., FOR A DISTANCE OF 70.04 FEET; THENCE RUN N.00°55'35"W., FOR A DISTANCE OF 100.51 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 2,099.62 FEET; THENCE RUN S.01°01'27"E., FOR A DISTANCE OF 763.77 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°29'50"E., FOR A DISTANCE OF 71.22 FEET; THENCE RUN S.01°01'23"E., FOR A DISTANCE OF 105.02 FEET; THENCE RUN S.89°35'52"W., FOR A DISTANCE OF 71.22 FEET; THENCE RUN N.01°01'27"W., FOR A DISTANCE OF 104.89 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 2,343.64 FEET; THENCE RUN S.01°14'33"E., FOR A DISTANCE OF 1,359.09 FEET TO THE POINT OF BEGINNING; THENCE RUN N.89°11'54"E., FOR A DISTANCE OF 53.60 FEET; THENCE RUN S.00°38'10"E., FOR A DISTANCE OF 104.13 FEET; THENCE RUN S.89°35'27"W., FOR A DISTANCE OF 52.50 FEET; THENCE RUN N.01°14'33"W., FOR A DISTANCE OF 103.77 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THAT PART OF SECTION 18 DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHWEST CORNER OF SECTION 18, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY FLORIDA; THENCE RUN N.89°23'07"E., FOR A DISTANCE OF 3,011.48 FEET; THENCE RUN S.01°14'00"E., FOR A DISTANCE OF 1,059.93 FEET TO THE POINT OF BEGINNING; THENCE

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 35

ATTACHMENT A

RUN N.89°11'46"E., FOR A DISTANCE OF 98.01 FEET; THENCE RUN S.00°53'04"E., FOR A DISTANCE OF 105.26 FEET; THENCE RUN S.89°37'56"W., FOR A DISTANCE OF 97.38 FEET; THENCE RUN N.01°14'00"W., FOR A DISTANCE OF 104.52 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THE WEST ½ OF THE SOUTHWEST ¼; AND THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 19

LESS AND EXCEPT THE EAST ½ OF THE NORTHEAST ¼ OF THE NORTHEAST ¼ OF SECTION 20

LESS AND EXCEPT A PORTION OF SECTION 21, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCE AT THE NORTHEAST CORNER OF SECTION 21, TOWNSHIP 19 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY, FLORIDA; THENCE RUN S.01°54'33"E., ALONG THE EAST LINE OF SAID SECTION 21 FOR A DISTANCE OF 996.18 FEET; THENCE RUN S.01°54'21"E., FOR A DISTANCE OF 364.58 FEET TO THE POINT OF BEGINNING; THENCE RUN S.01°54'36"E., FOR A DISTANCE OF 1,325.86 FEET; THENCE DEPARTING SAID EAST LINE, RUN S.89°30'18"W., FOR A DISTANCE OF 1,316.67 FEET; THENCE RUN N.02°18'23"W., FOR A DISTANCE OF 266.34 FEET; THENCE RUN S.89°42'43"W., FOR A DISTANCE OF 497.23 FEET; THENCE RUN N.01°57'48"W., FOR A DISTANCE OF 1,047.99 FEET; THENCE RUN N.89°11'44"E., FOR A DISTANCE OF 1,816.46 FEET TO A POINT IN THE AFOREMENTIONED EAST LINE AND THE POINT OF BEGINNING.

LESS AND EXCEPT THE WEST ½ OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 22

LESS AND EXCEPT THE EAST 12 CHAINS OF THE SOUTH 10 CHAINS OF THE NORTHEAST ¼ OF THE NORTHWEST ¼; AND THE SOUTHWEST ¼ OF THE NORTHWEST ¼; AND THE SOUTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 23

LESS AND EXCEPT THE WEST ½ OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 27

TOGETHER WITH THE EAST ½; THE EAST ½ OF THE NORTHWEST ¼; AND ALL THAT PART OF THE SOUTHWEST ¼ OF SECTION 30, LYING EAST OF THE ST. JOHNS RIVER

TOGETHER WITH ALL OF THAT PART OF THE NORTHEAST ¼ LYING NORTH OF THE ABANDONED FLORIDA EAST COAST RAILROAD; THE NORTHEAST ¼ OF THE NORTHWEST ¼; AND THE SOUTH 13.67 CHAINS OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ LYING NORTH AND EAST OF THE RIVER IN SECTION 31

TOGETHER WITH ALL OF SECTIONS 32, 33, 34 AND 35 LYING NORTH OF THE ABANDONED FLORIDA EAST COAST RAILROAD RIGHT-OF-WAY

LESS AND EXCEPT THE SOUTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 34 LYING NORTH OF THE ABANDONED FLORIDA EAST COAST RAILROAD RIGHT-OF-WAY

ALL OF SECTION 36.

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 36

ATTACHMENT A

TOWNSHIP 20 SOUTH, RANGE 33 EAST VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 1, 12, 13 AND 24

TOWNSHIP 19 SOUTH, RANGE 34 EAST, VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 5, 6, 7, 8, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, AND 33

LESS AND EXCEPT THE WEST ½ OF THE SOUTHEAST ¼ OF THE NORTHWEST ¼; AND THAT PART OF THE SOUTHEAST ¼ OF THE SOUTHEAST ¼ OF THE NORTHWEST ¼ LYING WITHIN THE RAILROAD RIGHT-OF-WAY; AND THAT PART OF THE SOUTHEAST ¼ OF THE SOUTHWEST ¼ LYING NORTH OF THE SOUTHERLY RAILROAD RIGHT-OF-WAY LINE; AND THE SOUTHWEST ¼ OF THE SOUTHEAST ¼ OF SECTION 30

TOWNSHIP 20 SOUTH, RANGE 34 EAST, BREVARD COUNTY, FLORIDA

ALL OF SECTION 4, 5, 6, 7, 8, 17, 18, 19 AND 20

TOWNSHIP 20 SOUTH, RANGE 34 EAST AND TOWNSHIP 21 SOUTH, RANGE 34 EAST, BREVARD COUNTY, FLORIDA; AND TOWNSHIP 21 SOUTH, RANGE 33 EAST, VOLUSIA COUNTY, FLORIDA

ALL OF SECTIONS 6, 7, 8, 10, 11, 12, 25, 26, 27; A PORTION OF SECTION 13 AND 24 VOLUSIA COUNTY AND A PORTION OF SECTION 37 OF THE PLAT OF INDIAN RIVER PARK SUBDIVISION OF THE BERNARDO SEQUI GRANT RECORDED IN PLAT BOOK 2, PAGE 33 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS.

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 20, TOWNSHIP 20 SOUTH, RANGE 34 EAST THENCE N78°15'40"E, A DISTANCE OF 2,203.90 FEET; THENCE S18°04'14"E, A DISTANCE OF 5,203.03 FEET; THENCE S78°28'51"W, A DISTANCE OF 650.12 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE N78°28'51"E, A DISTANCE OF 650.12 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE S78°28'51"W, A DISTANCE OF 1,300.24 FEET; THENCE S18°04'14"E, A DISTANCE OF 5,850.53 FEET; THENCE N78°28'51"E, A DISTANCE OF 1,300.24 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE S78°28'51"W, A DISTANCE OF 1,300.24 FEET; THENCE S18°04'14"E, A DISTANCE OF 1,300.12 FEET; THENCE S78°28'51"W, A DISTANCE OF 1,300.24 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE N78°28'51"E, A DISTANCE OF 2,600.48 FEET; THENCE S18°04'14"E, A DISTANCE OF 650.06 FEET; THENCE S78°28'51"W, A DISTANCE OF 21,437.63 FEET TO THE SOUTHWEST CORNER OF SECTION 37, TOWNSHIP 21 SOUTH, RANGE 33 EAST; THENCE N09°25'57"W, A DISTANCE OF 3,351.19 FEET; THENCE S89°42'37"E, A DISTANCE OF 4,129.52 FEET; THENCE N00°57'50"W, A DISTANCE OF 5,354.01 FEET; THENCE N01°00'59"W, A DISTANCE OF 5,235.95 FEET; THENCE N01°22'29"W, A DISTANCE OF 2,576.62 FEET; THENCE N78°15'40"E, A DISTANCE OF 10,900.37 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 24.

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 37

FARMTON WATER RESOURCES LLC
Schedule of Rate Base
At 80% of Design Capacity

Schedule No. 1

<u>DESCRIPTION</u>	<u>POTABLE WATER</u>	<u>FIRE PROTECTION</u>	<u>BULK RAW WATER</u>	<u>TOTAL</u>
Utility Plant in Service	\$ 45,650	\$ 26,400	\$ 5,520,300	\$ 5,592,350
Accumulated Depreciation	\$ (18,441)	\$ (9,655)	\$ (1,173,178)	\$ (1,201,274)
Contributions-in-aid-of- Construction (CIAC)	\$ (34,238)	\$ (26,400)	\$ (3,312,180)	\$ (3,372,818)
Accumulated Amortization of CIAC	\$ 13,831	\$ 9,655	\$ 703,907	\$ 727,393
Working Capital Allowance	<u>\$ 814</u>	<u>\$ 495</u>	<u>\$ 34,719</u>	<u>\$ 36,028</u>
RATE BASE	\$ 7,616	\$ 495	\$ 1,773,568	\$ 1,781,679

ORDER NO. PSC-04-0980-FOF-WU
DOCKET NO. 021256-WU
PAGE 38

FARMTON WATER RESOURCES LLC

Schedule No. 2

Schedule of Cost of Capital
At 80% of Design Capacity

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>WEIGHT</u>	<u>COST RATE</u>	<u>WEIGHTED COST</u>
Common Equity	\$ 712,672	40.0%	11.40%	4.56%
Long and Short-Term Debt	1,069,008	60.0%	07.60%	4.56%
Customer Deposits		00.0%	00.00%	0.00%
Totals	\$1,781,680	100.0%		9.12%
<u>Range of Reasonableness</u>	<u>High</u>	<u>Low</u>		
Return on Common Equity	12.40%	10.40%		

FARMTON WATER RESOURCES LLC
Schedule of Operating Revenues
At 80% of Design Capacity

Schedule No. 3

<u>DESCRIPTION</u>	<u>POTABLE WATER</u>	<u>FIRE PROTECTION</u>	<u>BULK RAW WATER</u>	<u>TOTAL</u>
Operating Revenues	\$ 8,164	\$ 4,192	\$ 553,403	\$ 565,759
Operating and Maintenance	\$ 6,512	\$ 3,960	\$ 277,750	\$ 288,222
Net Depreciation Expense	\$ 590	\$ -0-	\$ 89,005	\$ 89,595
Taxes Other Than Income	\$ 367	\$ 187	\$ 24,899	\$ 25,453
Income Taxes	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Operating Expense	\$ 7,469	\$ 4,147	\$ 391,654	\$ 403,270
Net Operating Income	\$ 695	\$ 45	\$ 161,749	\$ 162,489
Water Rate Base	\$ 7,616	\$ 495	\$ 1,773,568	\$ 1,781,679
Rate of Return	9.12%	9.12%	9.12%	9.12%

ORDER NO. PSC-04-0980-FOF-WU
 DOCKET NO. 021256-WU
 PAGE 40

Schedule No. 4

FARMTON WATER RESOURCES LLC
 Schedule of Rates and Charges

RETAIL POTABLE WATER SERVICE
GENERAL AND RESIDENTIAL SERVICE
 MONTHLY

<u>Meter Size:</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 3.58
1"	8.95
1.5"	17.90
2"	28.64
3"	57.28
4"	89.50
6"	179.00
8"	286.40
<u>All Meter Sizes</u>	<u>Gallorage Charge</u>
Per 1,000 gallons	\$ 0.64

FIRE PROTECTION SERVICE
 MONTHLY

<u>All Meter Sizes</u>	<u>Base Facility Charge</u>
Monthly Flat Rate (per well)	\$ 29.11

BULK RAW WATER SERVICE
 ANNUALLY

<u>All Meter Sizes</u>	<u>Charges and Rates</u>
Base Charge (per 0.5 MGD)	\$ 54,473.40
Take or Pay Gallorage Charge (per 1,000 gallons demand capacity)	\$0.3043 x Committed Capacity
Gallorage Charge per 1,000 gallons used above commitment	\$ 0.3043

Initial Connection Fee	\$ 15.00
Normal Reconnection Fee	\$ 15.00
Violation Reconnection Fee	Actual Cost
Premises Visit Fee (In lieu of disconnection)	\$ 10.00

MEMORANDUM

October 25, 2004

RECEIVED FPSC

04 OCT 26 PM 3: 37

COMMISSION
CLERK

TO: KAY FLYNN/CCA
HONG WANG/CCA
MARY DISKERUD/GCL
WANDA TERRELL/GCL

FROM: DAVID E. SMITH, ATTORNEY SUPERVISOR, OFFICE OF
THE GENERAL COUNSEL *DES/WS*

RE: BREVARD COUNTY v. FLORIDA PUBLIC SERVICE COMMISSION,
FLORIDA FIRST DISTRICT COURT OF APPEALS (FPSC DOCKET
NO. 021256-WU)

Please note that the above appeal has been assigned to Richard Bellak . The Notice of Administrative Appeal was filed on October 21, 2004. The case schedule is as follows:

<u>Date</u>	<u>Item</u>
<u>From day of filing:</u>	
<u>11/26/04</u>	Draft of Index of Record from CCA to Appeals Attorney.
<u>12/10/04</u>	Index of Record served on Parties.
<u>12/20/04</u>	Copy of Record to Appeals.
<u>12/30/04</u>	Appellant's Initial Brief Due.
<u>01/14/05</u>	Draft Commission Answer Brief Due.
<u>01/19/05</u>	Commission's Answer Brief Due.
<u>02/08/05</u>	Appellant's Reply Brief Due.

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

December 2, 2004

David M. Caldevilla, Esquire
de la Parte & Gilbert, P.A.
Post Office Box 2350
Tampa, Florida 33601-2350

Scott L. Knox, Esquire
Office of the County Attorney
2725 Judge Fran Jamieson Way
Viera, Florida 32940

Re: Docket No. 021256-WU - City of Titusville, a municipal corp. of the State of Florida and Brevard County, Florida, a political subdivision vs. Farmton Water Resources LLC, et al., FPSC Docket No. 021256-WU, 1st DCA Nos. 1D04-4553 and 1D04-4680

Dear Messrs. Caldevilla and Knox:

Enclosed is the index to the above-referenced docket on appeal. Please look the index over and let me know if you have any questions concerning the contents of the record.

The record will be filed with the Court on or before February 2, 2005.

Sincerely,

A handwritten signature in cursive script that reads "Kay Flynn".

Kay Flynn, Chief
Bureau of Records

KF:mhl

cc: William J. Bosch, III, Esquire
John Wharton, Esquire
David E. Smith, Esquire
Richard Bellak, Esquire

I N D E X

City of Titusville, a municipal corp. of the State of Florida
and Brevard County, Florida, a political subdivision

vs.

Farmton Water Resources LLC, et al.

FPSC Docket No. 021256-WU

1st District Court Case Nos. 1D04-4553 and 1D04-4680

VOLUME 1

Progress Docket 1

Application for original water certificate, by Farmton Water Resources LLC (“Farmton”),
filed December 20, 2002 12

[Legal] Notice of application for an original certificate dated December 20, 2002, on behalf
of Farmton, filed December 23, 2002 187

Letter dated December 24, 2002 from F. Marshall Deterding, Farmton, to Florida Public
Service Commission (“Commission”) advising revised Exhibit G to application is being
sent directly to Richard Redemann, Commission, filed December 24, 2002 188

Letter dated January 9, 2003 from Jennifer A. Rodan, Commission, to Holley Kreher,
City of Titusville (“Titusville”), advising of options in objecting to application, filed
January 10, 2003 190

Letter dated January 3, 2003 from Patti Daniel, Commission, to Ray Eubanks, Department
of Community Affairs (“DCA”), forwarding copy of application for review as to need for
service and comprehensive plan consistency, filed January 14, 2003 193

VOLUME 2

County of Volusia’s objection to the notice for an original certificate (Document No. 13951,
dated December 23, 2002, Commission-Commission Clerk); and County of Volusia’s
objection to application for original water certificate (Document No. 13919, dated
December 20, 2002, Commission-Commission Clerk); and County of Volusia’s petition for
administrative hearing, filed January 17, 2003 195

Objection and petition for formal hearing, on behalf of Brevard County, filed
January 17, 2003 211

Supplemental certificate of service of County of Volusia’s objection to the notice for
an original certificate (Document No. 13951, dated December 23, 2002, Commission-
Commission Clerk); and County of Volusia’s objection to application for original water
certificate (Document No. 13919, dated December 20, 2002, Commission-Commission
Clerk); and County of Volusia’s petition for administrative hearing, filed January 21, 2003 .. 218

Letter dated January 17, 2003 from Frank Roberts, City of New Smyrna Beach, to Commission objecting to application, filed January 21, 2003 220

Letter dated January 16, 2003 from Donald A. Schmidt, The City of Edgewater, to Commission objecting to application, filed January 21, 2003 221

Titusville’s objection to application for original water certificate and petition for formal hearing, filed January 23, 2003 223

Original certificate of [amended] notice affidavit, on behalf of Farmton, filed January 24, 2003 251

Affidavit of mailing with attached [legal] amended notice of application for an initial certificate of authorization for water certificate dated January 24, 2003, on behalf of Farmton, filed January 24, 2003 252

Amended notice of application for an initial certificate of authorization for water certificate dated January 24, 2003, on behalf of Farmton, filed January 24, 2003 258

Letter dated February 3, 2003 from Charles Gauthier, DCA, to Patti Daniel, Commission, forwarding results from review of application as to need for service and comprehensive plan consistency, filed February 3, 2003 259

Letter dated February 13, 2003 from Patti Daniel, Commission, to F. Marshall Deterding, Farmton, listing deficiencies in application, filed February 13, 2003 265

Letter dated March 14, 2003 from F. Marshall Deterding, Farmton, responding to Commission’s February 13, 2003 deficiency letter with revised Exhibits F, G, H, I, K, and late-filed Exhibit J, filed March 14, 2003 268

Order PSC-03-0370-PCO-WU establishing procedure, issued March 18, 2003 301

Letter dated March 14, 2003 from Maureen Rupe, Natural Resource Committee - League of Women Voters Space Coast, to Commission opposing application, filed March 21, 2003 311

Letter dated March 27, 2003 from F. Marshall Deterding, Farmton, to Stanley Rieger, Commission, with revised Exhibit G to substitute for previous filing of Exhibit G, filed March 28, 2003 313

Letter dated April 4, 2003 from F. Marshall Deterding, Farmton, to Commission with attached revised tariff sheets and third revised Exhibit G, filed April 4, 2003 316

Memorandum dated June 12, 2003 from Jennifer A. Rodan, Commission, to all parties of record advising of June 27, 2003 informal meeting to identify and discuss issues, filed June 13, 2003 321

Second Order PSC-03-1038-PCO-WU establishing procedure setting new controlling dates, issued September 18, 2003 322

Letter dated January 7, 2004 from F. Marshall Deterding, Farmton, to Patti Daniel, Commission, advising of potable water service to be provided in near future at no cost until final order is issued, filed January 7, 2004 325

Farmton's request for extension of time for filing of rebuttal testimony, filed January 13, 2004 326

Order PSC-04-0085-PCO-WU granting motion for extension of time to file rebuttal testimony and third order establishing procedure, issued January 26, 2004 329

Notice of voluntary dismissal, on behalf of The City of Edgewater, filed January 29, 2004 .. 332

Letter dated February 17, 2004 from Kenneth Hooper to Chairman Baez with attached notice of voluntary dismissal, on behalf of The City of Edgewater, filed February 24, 2004 334

Brevard County's request for official recognition, filed March 29, 2004 337

Fourth Order PSC-04-0334-PCO-WU establishing procedure setting new controlling dates, issued March 30, 2004 352

Memorandum dated April 8, 2004 from Katherine E. Fleming, Commission, to all parties of record and all other interested persons advising of April 30, 2004 informal meeting to identify and discuss issues, filed April 8, 2004 354

Notice of customer service hearing to be held May 13, 2004, issued April 19, 2004 355

Notice of prehearing conference to be held May 17, 2004, issued April 19, 2004 357

Letter dated April 20, 2004 from F. Marshall Deterding, Farmton, to Commission with attached Fourth revised Exhibit G and revised Exhibit H, filed April 20, 2004 359

Notice of May 13, 2004 customer service hearing for publication in April 30, 2004 Florida Administrative Weekly, filed April 21, 2004 368

Notice of May 17, 2004 prehearing for publication in April 30, 2004 Florida Administrative Weekly, filed April 21, 2004 369

Letter dated April 26, 2004 from F. Marshall Deterding, Farmton, to Commission with attached Fifth revised Exhibit G and revised Exhibit H, filed April 26, 2004 370

Letter dated April 29, 2004 from F. Marshall Deterding, Farmton, to Commission with attached sixth revised Exhibit G, filed April 29, 2004 376

Letter dated May 3, 2004 from John L. Wharton, Farmton, to Commission advising of correct punctuation in company's name, filed May 3, 2004 378

Farmton's motion to strike prefiled direct testimony, filed May 3, 2004 379

Memorandum dated May 4, 2004 from Katherine E. Fleming, Commission, to all parties of record and all other interested persons advising of May 11, 2004 informal meeting to discuss issues, filed May 4, 2004 382

Prehearing statement, on behalf of Brevard County, filed May 7, 2004 383

Titusville's prehearing statement, filed May 7, 2004 388

VOLUME 3

Commission staff's prehearing statement, filed May 7, 2004 398

County of Volusia's prehearing statement, filed May 7, 2004 403

Prehearing statement, on behalf of Farmton, filed May 7, 2004 411

County of Volusia's prehearing statement, filed May 10, 2004 424

Order PSC-04-0497-PCO-WU granting request for official recognition, issued May 12, 2004 438

Transcript of prehearing conference held May 17, 2004 in Tallahassee, filed May 20, 2004 440

Transcript of service hearing held May 13, 2004 in New Smyrna Beach, filed May 21, 2004 468

Notice of hearing to be held June 22, 2004 in Tallahassee, issued May 24, 2004 486

Notice of June 22, 2004 hearing for publication in June 4, 2004 Florida Administrative Weekly, filed May 26, 2004 489

Memorandum dated June 7, 2004 from Katherine E. Fleming, Commission, to all parties of record and all other interested persons advising of June 9, 2004 informal meeting to discuss stipulation of issues, filed June 8, 2004 490

Prehearing Order PSC-04-0589-PHO-WU, issued June 10, 2004	491
Letter dated July 8, 2004 from Mary Lee Cook to Commission approving of application, filed July 14, 2004	514
Titusville's post-hearing statement of issues and positions and brief, filed July 29, 2004	515
Titusville's proposed recommended order, filed July 29, 2004	535
Issues; positions; proposed findings of fact and law; argument, on behalf of Brevard County, filed July 29, 2004	565
County of Volusia's post-hearing statement, filed July 29, 2004	583

VOLUME 4

County of Volusia's proposed recommended order, filed July 29, 2004	610
Farmton's post-hearing statement of issues and positions, filed July 29, 2004	615
Post-hearing memorandum, on behalf of Farmton, filed July 29, 2004	619
Memorandum from Commission's Office of the General Counsel and Division of Economic Regulation to Division of the Commission Clerk and Administrative Services, filed August 26, 2004	657
Final Order PSC-04-0980-FOF-WU granting Certificate No. 622-W, issued October 8, 2004	720
Notice of administrative appeal, on behalf of Titusville, filed October 15, 2004	760
Titusville's directions to agency clerk, filed October 15, 2004	803
Directions to clerk, on behalf of Brevard County, filed October 20, 2004	805
First District Court of Appeal corrected acknowledgment of receipt of Titusville's notice of appeal, Case No. 1D04-4553, filed October 20, 2004	807

VOLUME 5

Notice of administrative appeal, on behalf of Brevard County, filed October 21, 2004	808
Letter dated October 22, 2004 from F. Marshall Deterding, Farmton, to Commission with attached proposed tariffs to implement the rates outlined in Order PSC-04-0980-FOF-WU and executed lease with Miami Corporation for use of lands, filed October 22, 2004	851

Letter dated October 25, 2004 from F. Marshall Deterding, Farmton, to Commission with attached front page of executed lease with Miami Corporation showing proof of being recorded in the official records of Volusia County, filed October 25, 2004 876

First District Court of Appeal acknowledgment of receipt of Brevard County's notice of appeal, Case No. 1D04-4680, filed October 27, 2004 878

First District Court of Appeal order consolidating Case Nos. 1D04-4553 and 1D04-4680, filed November 22, 2004 880

Certificate of Director, Division of the Commission Clerk and Administrative Services 881

HEARING TRANSCRIPTS AND EXHIBITS

Transcript of hearing held June 22, 2004, Volume 1, pages 1 through 134
(reference court reporter's original page numbers in this and all succeeding volumes)

Transcript of hearing held June 22, 2004, Volume 2, pages 135 through 305

Transcript of hearing held June 23, 2004, Volume 3, pages 306 through 452

Transcript of hearing held June 23, 2004, Volume 4, pages 453 through 603

Hearing exhibits 1 through 42 from June 22-23, 2004 hearing

CKF [signature]

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON
LISA POLAK EDGAR



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 31, 2005

Scott L. Knox, Esquire
Office of the County Attorney
2725 Judge Fran Jamieson Way
Viera, Florida 32940

David M. Caldevilla, Esquire
de la Parte & Gilbert, P.A.
Post Office Box 2350
Tampa, Florida 33601-2350

**Re: City of Titusville, a municipal corp. of the State of Florida and Brevard County,
Florida, a political subdivision vs. Farnton Water Resources LLC, et al.,
Case Nos. 1D04-4553 and 1D04-4680 (Docket No. 021256-WU)**

Dear Mr. Knox and Mr. Caldevilla:

I have enclosed invoices (one original, one copy) reflecting charges for preparation of the above-referenced record. Each invoice reflects one-half of the total charge for preparation. Please forward a check in the amount indicated, made payable to the Florida Public Service Commission, at your earliest convenience.

Do not hesitate to call if you have any questions concerning this matter.

Sincerely,

Kay Flynn, Chief
Bureau of Records

KF:mhl
Enclosure

FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd. ♦ Tallahassee, Florida 32399-0850

9890

Date: 1/31/05

To: Scott L. Knox, Esquire
Office of the County Attorney
2725 Judge Fran Jamieson Way
Viera, Florida 32940

Date Paid _____

Amount Paid _____

Check # _____

Check Cash

PSC Signature _____

↑ ↑
This number must appear on
all checks or correspondence
regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
745 pages	Copying and preparation of Docket 021256-WU on appeal to 1st DCA, Case No. 1D04-4680 (total pages = 1,490)	@.05¢ per pg	\$37.25
1	Certificate of Director	@\$4.00	2.00
<p style="margin: 0;">Note: due to consolidation of case in 1st DCA party only charged for half of copying and preparation of record.</p>			
TOTAL			\$39.25

PSC/CCA 008-C Rev. 10/01

FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd. ♦ Tallahassee, Florida 32399-0850

9889

Date: 1/31/05

To: David M. Caldevilla, Esquire
de la Parte & Gilbert, P.A.
Post Office Box 2350
Tampa, Florida 33601-2350

Date Paid _____

Amount Paid _____

Check # _____

Check Cash

PSC Signature _____

↑ ↑
This number must appear on
all checks or correspondence
regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
745 pages	Copying and preparation of Docket 021256-WU on appeal to 1st DCA, Case No. 1D04-4553 (total pages = 1, 490)	@.05¢ per pg	\$37.25
1	Certificate of Director	@\$4.00	2.00
<p style="margin: 0;">Note: due to consolidation of case in 1st DCA party only charged for half of copying and preparation of record.</p>			
TOTAL			\$39.25

PSC/CCA 008-C Rev. 10/01

OK + RLC

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON
LISA POLAK EDGAR



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 31, 2005

Jon Wheeler, Clerk
First District Court of Appeals of Florida
301 South Martin Luther King Boulevard
Tallahassee, Florida 32399

Re: City of Titusville, a municipal corp. of the State of Florida and Brevard County, Florida, a political subdivision vs. Farmton Water Resources LLC, et al., Case Nos. 1D04-4553 and 1D04-4680 (Docket No. 021256-WU)

Dear Mr. Wheeler:

The record in the above-referenced consolidated cases, consisting of five binders, four hearing transcripts, and one pouch of hearing exhibits is forwarded for filing in the Court. A copy of the index is enclosed for your use. Please initial and date the copy of this letter to indicate receipt.

Do not hesitate to call me at 850-413-6744 if you have any questions about the contents of this record.

Sincerely,
Kay Flynn
Kay Flynn, Chief
Bureau of Records

KF/mhl
Enclosure

cc: parties of record

I N D E X

City of Titusville, a municipal corp. of the State of Florida
and Brevard County, Florida, a political subdivision

vs.

Farmton Water Resources LLC, et al.

FPSC Docket No. 021256-WU

1st District Court Case Nos. 1D04-4553 and 1D04-4680

VOLUME 1

Progress Docket 1

Application for original water certificate, by Farmton Water Resources LLC (“Farmton”),
filed December 20, 2002 12

[Legal] Notice of application for an original certificate dated December 20, 2002, on behalf
of Farmton, filed December 23, 2002 187

Letter dated December 24, 2002 from F. Marshall Deterding, Farmton, to Florida Public
Service Commission (“Commission”) advising revised Exhibit G to application is being
sent directly to Richard Redemann, Commission, filed December 24, 2002 188

Letter dated January 9, 2003 from Jennifer A. Rodan, Commission, to Holley Kreher,
City of Titusville (“Titusville”), advising of options in objecting to application, filed
January 10, 2003 190

Letter dated January 3, 2003 from Patti Daniel, Commission, to Ray Eubanks, Department
of Community Affairs (“DCA”), forwarding copy of application for review as to need for
service and comprehensive plan consistency, filed January 14, 2003 193

VOLUME 2

County of Volusia’s objection to the notice for an original certificate (Document No. 13951,
dated December 23, 2002, Commission-Commission Clerk); and County of Volusia’s
objection to application for original water certificate (Document No. 13919, dated
December 20, 2002, Commission-Commission Clerk); and County of Volusia’s petition for
administrative hearing, filed January 17, 2003 195

Objection and petition for formal hearing, on behalf of Brevard County, filed
January 17, 2003 211

Supplemental certificate of service of County of Volusia’s objection to the notice for
an original certificate (Document No. 13951, dated December 23, 2002, Commission-
Commission Clerk); and County of Volusia’s objection to application for original water
certificate (Document No. 13919, dated December 20, 2002, Commission-Commission
Clerk); and County of Volusia’s petition for administrative hearing, filed January 21, 2003 .. 218

Letter dated January 17, 2003 from Frank Roberts, City of New Smyrna Beach, to Commission objecting to application, filed January 21, 2003	220
Letter dated January 16, 2003 from Donald A. Schmidt, The City of Edgewater, to Commission objecting to application, filed January 21, 2003	221
Titusville's objection to application for original water certificate and petition for formal hearing, filed January 23, 2003	223
Original certificate of [amended] notice affidavit, on behalf of Farmton, filed January 24, 2003	251
Affidavit of mailing with attached [legal] amended notice of application for an initial certificate of authorization for water certificate dated January 24, 2003, on behalf of Farmton, filed January 24, 2003	252
Amended notice of application for an initial certificate of authorization for water certificate dated January 24, 2003, on behalf of Farmton, filed January 24, 2003	258
Letter dated February 3, 2003 from Charles Gauthier, DCA, to Patti Daniel, Commission, forwarding results from review of application as to need for service and comprehensive plan consistency, filed February 3, 2003	259
Letter dated February 13, 2003 from Patti Daniel, Commission, to F. Marshall Deterding, Farmton, listing deficiencies in application, filed February 13, 2003	265
Letter dated March 14, 2003 from F. Marshall Deterding, Farmton, responding to Commission's February 13, 2003 deficiency letter with revised Exhibits F, G, H, I, K, and late-filed Exhibit J, filed March 14, 2003	268
Order PSC-03-0370-PCO-WU establishing procedure, issued March 18, 2003	301
Letter dated March 14, 2003 from Maureen Rupe, Natural Resource Committee - League of Women Voters Space Coast, to Commission opposing application, filed March 21, 2003	311
Letter dated March 27, 2003 from F. Marshall Deterding, Farmton, to Stanley Rieger, Commission, with revised Exhibit G to substitute for previous filing of Exhibit G, filed March 28, 2003	313
Letter dated April 4, 2003 from F. Marshall Deterding, Farmton, to Commission with attached revised tariff sheets and third revised Exhibit G, filed April 4, 2003	316

Memorandum dated June 12, 2003 from Jennifer A. Rodan, Commission, to all parties of record advising of June 27, 2003 informal meeting to identify and discuss issues, filed June 13, 2003 321

Second Order PSC-03-1038-PCO-WU establishing procedure setting new controlling dates, issued September 18, 2003 322

Letter dated January 7, 2004 from F. Marshall Deterding, Farmton, to Patti Daniel, Commission, advising of potable water service to be provided in near future at no cost until final order is issued, filed January 7, 2004 325

Farmton’s request for extension of time for filing of rebuttal testimony, filed January 13, 2004 326

Order PSC-04-0085-PCO-WU granting motion for extension of time to file rebuttal testimony and third order establishing procedure, issued January 26, 2004 329

Notice of voluntary dismissal, on behalf of The City of Edgewater, filed January 29, 2004 .. 332

Letter dated February 17, 2004 from Kenneth Hooper to Chairman Baez with attached notice of voluntary dismissal, on behalf of The City of Edgewater, filed February 24, 2004 334

Brevard County’s request for official recognition, filed March 29, 2004 337

Fourth Order PSC-04-0334-PCO-WU establishing procedure setting new controlling dates, issued March 30, 2004 352

Memorandum dated April 8, 2004 from Katherine E. Fleming, Commission, to all parties of record and all other interested persons advising of April 30, 2004 informal meeting to identify and discuss issues, filed April 8, 2004 354

Notice of customer service hearing to be held May 13, 2004, issued April 19, 2004 355

Notice of prehearing conference to be held May 17, 2004, issued April 19, 2004 357

Letter dated April 20, 2004 from F. Marshall Deterding, Farmton, to Commission with attached Fourth revised Exhibit G and revised Exhibit H, filed April 20, 2004 359

Notice of May 13, 2004 customer service hearing for publication in April 30, 2004 Florida Administrative Weekly, filed April 21, 2004 368

Notice of May 17, 2004 prehearing for publication in April 30, 2004 Florida Administrative Weekly, filed April 21, 2004 369

Letter dated April 26, 2004 from F. Marshall Deterding, Farmton, to Commission with attached Fifth revised Exhibit G and revised Exhibit H, filed April 26, 2004 370

Letter dated April 29, 2004 from F. Marshall Deterding, Farmton, to Commission with attached sixth revised Exhibit G, filed April 29, 2004 376

Letter dated May 3, 2004 from John L. Wharton, Farmton, to Commission advising of correct punctuation in company's name, filed May 3, 2004 378

Farmton's motion to strike prefiled direct testimony, filed May 3, 2004 379

Memorandum dated May 4, 2004 from Katherine E. Fleming, Commission, to all parties of record and all other interested persons advising of May 11, 2004 informal meeting to discuss issues, filed May 4, 2004 382

Prehearing statement, on behalf of Brevard County, filed May 7, 2004 383

Titusville's prehearing statement, filed May 7, 2004 388

VOLUME 3

Commission staff's prehearing statement, filed May 7, 2004 398

County of Volusia's prehearing statement, filed May 7, 2004 403

Prehearing statement, on behalf of Farmton, filed May 7, 2004 411

County of Volusia's prehearing statement, filed May 10, 2004 424

Order PSC-04-0497-PCO-WU granting request for official recognition, issued May 12, 2004 438

Transcript of prehearing conference held May 17, 2004 in Tallahassee, filed May 20, 2004 440

Transcript of service hearing held May 13, 2004 in New Smyrna Beach, filed May 21, 2004 468

Notice of hearing to be held June 22, 2004 in Tallahassee, issued May 24, 2004 486

Notice of June 22, 2004 hearing for publication in June 4, 2004 Florida Administrative Weekly, filed May 26, 2004 489

Memorandum dated June 7, 2004 from Katherine E. Fleming, Commission, to all parties of record and all other interested persons advising of June 9, 2004 informal meeting to discuss stipulation of issues, filed June 8, 2004 490

Prehearing Order PSC-04-0589-PHO-WU, issued June 10, 2004	491
Letter dated July 8, 2004 from Mary Lee Cook to Commission approving of application, filed July 14, 2004	514
Titusville’s post-hearing statement of issues and positions and brief, filed July 29, 2004	515
Titusville’s proposed recommended order, filed July 29, 2004	535
Issues; positions; proposed findings of fact and law; argument, on behalf of Brevard County, filed July 29, 2004	565
County of Volusia’s post-hearing statement, filed July 29, 2004	583

VOLUME 4

County of Volusia’s proposed recommended order, filed July 29, 2004	610
Farmton’s post-hearing statement of issues and positions, filed July 29, 2004	615
Post-hearing memorandum, on behalf of Farmton, filed July 29, 2004	619
Memorandum from Commission’s Office of the General Counsel and Division of Economic Regulation to Division of the Commission Clerk and Administrative Services, filed August 26, 2004	657
Final Order PSC-04-0980-FOF-WU granting Certificate No. 622-W, issued October 8, 2004	720
Notice of administrative appeal, on behalf of Titusville, filed October 15, 2004	760
Titusville’s directions to agency clerk, filed October 15, 2004	803
Directions to clerk, on behalf of Brevard County, filed October 20, 2004	805
First District Court of Appeal corrected acknowledgment of receipt of Titusville’s notice of appeal, Case No. 1D04-4553, filed October 20, 2004	807

VOLUME 5

Notice of administrative appeal, on behalf of Brevard County, filed October 21, 2004	808
Letter dated October 22, 2004 from F. Marshall Deterding, Farmton, to Commission with attached proposed tariffs to implement the rates outlined in Order PSC-04-0980-FOF-WU and executed lease with Miami Corporation for use of lands, filed October 22, 2004	851

Letter dated October 25, 2004 from F. Marshall Deterding, Farmton, to Commission with attached front page of executed lease with Miami Corporation showing proof of being recorded in the official records of Volusia County, filed October 25, 2004 876

First District Court of Appeal acknowledgment of receipt of Brevard County's notice of appeal, Case No. 1D04-4680, filed October 27, 2004 878

First District Court of Appeal order consolidating Case Nos. 1D04-4553 and 1D04-4680, filed November 22, 2004 880

Certificate of Director, Division of the Commission Clerk and Administrative Services 881

HEARING TRANSCRIPTS AND EXHIBITS

Transcript of hearing held June 22, 2004, Volume 1, pages 1 through 134
(reference court reporter's original page numbers in this and all succeeding volumes)

Transcript of hearing held June 22, 2004, Volume 2, pages 135 through 305

Transcript of hearing held June 23, 2004, Volume 3, pages 306 through 452

Transcript of hearing held June 23, 2004, Volume 4, pages 453 through 603

Hearing exhibits 1 through 42 from June 22-23, 2004 hearing

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON
LISA POLAK EDGAR



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

January 31, 2005

RECEIVED
JAN 31 2005
JON S. WHEELER
Clerk District Court Of Appeals
1st District

Jon Wheeler, Clerk
First District Court of Appeals of Florida
301 South Martin Luther King Boulevard
Tallahassee, Florida 32399


Re: City of Titusville, a municipal corp. of the State of Florida and Brevard County, Florida, a political subdivision vs. Farmton Water Resources LLC, et al., Case Nos. 1D04-4553 and 1D04-4680 (Docket No. 021256-WU)

Dear Mr. Wheeler:

The record in the above-referenced consolidated cases, consisting of five binders, four hearing transcripts, and one pouch of hearing exhibits is forwarded for filing in the Court. A copy of the index is enclosed for your use. Please initial and date the copy of this letter to indicate receipt.

Do not hesitate to call me at 850-413-6744 if you have any questions about the contents of this record.

Sincerely,


Kay Flynn, Chief
Bureau of Records

RECEIVED
JAN 31 2005
JON S. WHEELER
Clerk District Court Of Appeals
1st District

KF/mhl
Enclosure

cc: parties of record

RECEIVED BY _____ DATE _____

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON
LISA POLAK EDGAR

STATE OF FLORIDA



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

March 17, 2005

Jon Wheeler, Clerk
First District Court of Appeals of Florida
301 South Martin Luther King Boulevard
Tallahassee, Florida 32399

Re: City of Titusville, a municipal corp. of the State of Florida and Brevard County, Florida, a political subdivision vs. Farnton Water Resources LLC, et al., Case Nos. 1D04-4553 and 1D04-4680 (Docket No. 021256-WU)

Dear Mr. Wheeler:

The supplemental record in the above-referenced consolidated cases, consisting of one binder is forwarded for filing in the Court. Please initial and date the copy of this letter to indicate receipt.

Do not hesitate to call me at 850-413-6744 if you have any questions about the contents of this record.

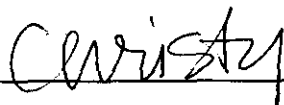
Sincerely,


Kay Flynn, Chief
Bureau of Records

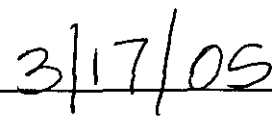
KF/mhl
Enclosure

cc: parties of record

RECEIVED BY



DATE



STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON
LISA POLAK EDGAR



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

March 17, 2005

Jon Wheeler, Clerk
First District Court of Appeals of Florida
301 South Martin Luther King Boulevard
Tallahassee, Florida 32399

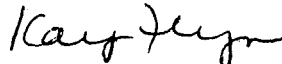
Re: City of Titusville, a municipal corp. of the State of Florida and Brevard County, Florida, a political subdivision vs. Farmton Water Resources LLC, et al., Case Nos. 1D04-4553 and 1D04-4680 (Docket No. 021256-WU)

Dear Mr. Wheeler:

The supplemental record in the above-referenced consolidated cases, consisting of one binder is forwarded for filing in the Court. Please initial and date the copy of this letter to indicate receipt.

Do not hesitate to call me at 850-413-6744 if you have any questions about the contents of this record.

Sincerely,


Kay Flynn, Chief
Bureau of Records

KF/mhl
Enclosure

cc: parties of record

Letter dated October 25, 2004 from F. Marshall Deterding, Farmton, to Commission with attached front page of executed lease with Miami Corporation showing proof of being recorded in the official records of Volusia County, filed October 25, 2004 876

First District Court of Appeal acknowledgment of receipt of Brevard County’s notice of appeal, Case No. 1D04-4680, filed October 27, 2004 878

First District Court of Appeal order consolidating Case Nos. 1D04-4553 and 1D04-4680, filed November 22, 2004 880

Certificate of Director, Division of the Commission Clerk and Administrative Services 881

SUPPLEMENTAL VOLUME 1

Commission conference agenda notice for September 21, 2004 conference 882

Commission recording of September 21, 2004 conference, provided on DVD format 930

Commission conference minutes from September 21, 2004 conference 931

Certificate of Director, Division of the Commission Clerk and Administrative Services 979

HEARING TRANSCRIPTS AND EXHIBITS

Transcript of hearing held June 22, 2004, Volume 1, pages 1 through 134
(reference court reporter’s original page numbers in this and all succeeding volumes)

Transcript of hearing held June 22, 2004, Volume 2, pages 135 through 305

Transcript of hearing held June 23, 2004, Volume 3, pages 306 through 452

Transcript of hearing held June 23, 2004, Volume 4, pages 453 through 603

Hearing exhibits 1 through 42 from June 22-23, 2004 hearing

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON
LISA POLAK EDGAR



DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770 (CLERK)
(850) 413-6330 (ADMIN)

Public Service Commission

March 17, 2005

David M. Caldevilla, Esquire
de la Parte & Gilbert, P.A.
Post Office Box 2350
Tampa, Florida 33601-2350

**Re: City of Titusville, a municipal corp. of the State of Florida and Brevard County,
Florida, a political subdivision vs. Farnton Water Resources LLC, et al.,
Case Nos. 1D04-4553 and 1D04-4680 (Docket No. 021256-WU)**

Dear Mr. Caldevilla:

I have enclosed an invoice reflecting charges for preparation of the supplement in the above-referenced record. Please forward a check in the amount indicated, made payable to the Florida Public Service Commission, at your earliest convenience.

Do not hesitate to call if you have any questions concerning this matter.

Sincerely,

A handwritten signature in cursive script that reads "Kay Flynn".

Kay Flynn, Chief
Bureau of Records

KF:mhl
Enclosure

FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd. ♦ Tallahassee, Florida 32399-0850

9937

Date: 3/17/05

To:

David M. Caldevilla, Esquire
de la Parte & Gilbert, P.A.
Post Office Box 2350
Tampa, Florida 33601-2350

Date Paid _____

Amount Paid _____

Check # _____

Check Cash

PSC Signature _____

↑ ↑
This number must appear on
all checks or correspondence
regarding this invoice.

Please make checks payable to: FLORIDA PUBLIC SERVICE COMMISSION

QUANTITY	DESCRIPTION	PRICE	AMOUNT
97 pages	Copying and preparation of supplemental transcript @.05¢ per page of Docket 021256-WU on appeal to 1st DCA, Case No. 1D04-4553		\$ 4.85
1	DVD of Commission conference		40.95
1	Certificate of Director		4.00
TOTAL			\$49.80