

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application of Indiantown)
Company, Inc. for approval of a new)
class of service for reuse water)
service)

Docket No. 080712-SU

APPLICATION OF INDIANTOWN COMPANY, INC. FOR
APPROVAL OF A NEW CLASS OF SERVICE FOR
REUSE WATER SERVICE

COMES NOW Indiantown Company, Inc. ("Indiantown," "Utility" or "Applicant"), by and through its undersigned attorneys, and pursuant to Section 367.091, Florida Statutes, and Rule 25-9.004, Florida Administrative Code, files this Application for Approval of a New Class of Service for Reuse Water Service, and in support thereof states:

1. The exact name of the Company and the address of its principal business office is:

INDIANTOWN COMPANY, INC.
P. O. Box 397
Indiantown, FL 34956-0397

2. The name and address of the person authorized to receive notices and communications in respect to this application is:

F. Marshall Deterding
Rose, Sundstrom & Bentley, LLP
2548 Blainstone Pines Drive
Tallahassee, Florida 32301
(850)877-6555
(850)656-4029 fax

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3. The Applicant is currently in the final phases of completing construction of changes to its wastewater treatment plant to allow production and distribution of public access reuse water. As a result of those changes, the Utility needs to establish an initial reuse rate for the provision of those services to its customers.

4. The calculation of the costs incurred for the provision of reuse service is always a difficult one, as it is substantially dependent upon many factors including: (1) the investment, if any, of the Utility in infrastructure necessary to distribute reuse water to its customers, and how much of that investment is incurred by the Utility, versus developers and customers; (2) the subjective decision about which costs represent sewage treatment costs and which costs represent reuse costs, both in capital costs and in daily operations costs is very subjective and therefore subject to substantial deviation.

5. The determination of an appropriate reuse rate is not only subjective but is also, to some degree, a function of the alternatives available for the provision of water service for irrigation and other non-potable purposes. The only alternative available to the customers of the Applicant prior to the initiation of reuse service is potable water, which is currently provided at

a charge of \$1.90 per thousand gallons for general service; and for residential service \$1.71 per thousand gallons for 0 to 8,000 gallons, \$2.14 per thousand gallons for 8,000 to 15,000 gallons, and \$2.57 per thousand gallons for over 15,000 gallons.

6. Martin County which currently provides reuse services to its Utility customers provides that service at a charge of \$0.40 per thousand gallons. The Applicant therefore believes that a charge of \$0.40 per thousand gallons is a reasonable initial reuse rate for the Applicant.

7. Indiantown does not currently know who will be its initial reuse customers. Those customers will either come in the form of individual homes in a new development, or several potential commercial or industrial customers who have inquired about the provision of reuse service. Therefore, it is impossible at this time to calculate representative consumption levels or the charges that will be applicable under those consumption levels without knowing in advance what type of customers will be receiving this service initially. The Utility does not have any current reuse customers and no one preparing to receive that service immediately. For these reasons, the estimated gross increase or decrease in annual revenues resulting from this new service is not ascertainable at this time.

8. The Applicant currently has a contract with a co-generation facility known as "Indiantown CoGeneration, LP ("CoGen"), whereby the Utility is allowed to dispose of any unused reuse effluent with CoGen, for a period of 25 years, but CoGen has no authority to demand any specific amount of reuse water. As such, both CoGen and the Applicant benefit by the Applicant having a ready method of alternate disposal and CoGen having a free supplement to its cooling water needs. This saves the Utility and its customers substantial cost in otherwise mandated alternative methods of wet weather storage and back up disposal. In order to allow this necessary back up capacity to the Utility's reuse facility, the new class of service must exclude those excess reuse quantities provided to CoGen from services for which the applicable rate is accessed. The tariff has been structured to recognize this separate contract.

9. Attached hereto as **Exhibit "A"** to this Application are the original and two copies of revised tariff sheets reflecting the proposed new class of service for reuse water service.

10. Attached hereto as **Exhibit "B"** is an Affidavit that the notice of actual application was given in accordance with Section 367.091(2), Florida Statutes by regular mail to the Chief Executive Officer of the governing body of each County within the service

area included in this request.

WHEREFORE, Indiantown requests that the Commission approve the tariffs attached hereto in Exhibit "A" as expeditiously as possible to allow implementation of this new class of service.

Respectfully submitted on this
17th day of December, 2008, by:

ROSE, SUNDSTROM & BENTLEY, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301
Tel.: (850) 877-6555
Fax: (850) 656-4029

By: 

F. MARSHALL DETERDING

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EXHIBIT "A"
REVISED TARIFF SHEET

NAME OF COMPANY: Indiantown Company, Inc.
WASTEWATER TARIFF

RECLAIMED WATER SERVICE

RATE SCHEDULE

AVAILABILITY - Available by special contract to areas within the certificated service territory of Service Company.

APPLICABILITY - To the extent of its capacity and wastewater flows, the Utility shall provide irrigation quality water using treated wastewater effluent.

LIMITATIONS - Subject to all the rules and regulations of this tariff and general rules and regulations of the Commission.

<u>Customer</u>	<u>Gallorage Charge (Per 1,000 Gallons)</u>
Indiantown CoGeneration, LP	\$0.00*
All Others	\$0.40

*For term of existing contract

EFFECTIVE DATE -

TYPE OF FILING - New Class of Service

Jeff Leslie
ISSUING OFFICER

President
TITLE

EXHIBIT "B"
AFFIDAVIT OF MAILING


AFFIDAVIT OF MAILING

STATE OF FLORIDA

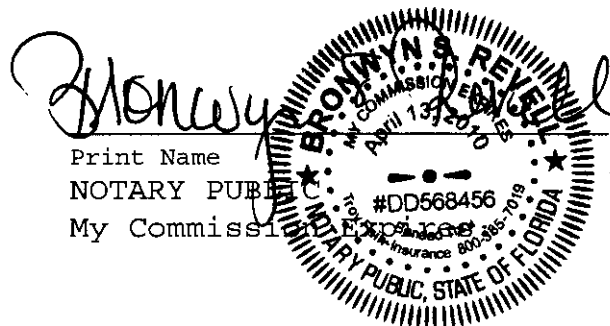
COUNTY OF LEON

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared TONYA SIMPSON, who, after being duly sworn on oath, did depose on oath and say that she is the assistant to F. Marshall Deterding, attorney for Indiantown Company, Inc. and that on December 12th, 2008, she did send by regular U.S. mail, a copy of the Application attached to this Affidavit to the governmental bodies required by Section 367.091(2), Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.


Tonya M. Simpson

Sworn to and subscribed before me this 12th day of December, 2008, by Tonya M. Simpson, who is personally known to me.


Print Name
NOTARY PUBLIC
My Commission #DD568456
Notary Public, State of Florida
April 13, 2010