

State of Florida



Public Service Commission

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

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

DATE: January 29, 2009

TO: Office of Commission Clerk (Cole)

FROM: Division of Economic Regulation (Brady) *pb*
Office of the General Counsel (Williams) *AKB* *W* *That*

RE: Docket No. 090029-WS – Ordinance by Board of County Commissioners of St. Johns County relating to regulation of water and wastewater utilities within the unincorporated areas of St. Johns County.
County: St. Johns

AGENDA: 02/10/09 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECR\WP\090029.RCM.DOC

Case Background

On December 2, 2008, the Board of County Commissioners of St. Johns County passed Ordinance No. 2008-57, declaring the privately-owned water and wastewater facilities in St. Johns County to be subject to the provisions of Chapter 367, Florida Statutes (F.S.). The effective date of the Ordinance was to be the date the Ordinance was filed with the Public Service Commission. Therefore, the effective date of the transfer of jurisdiction is January 16, 2009. This recommendation addresses the acknowledgement of that Ordinance. The Commission has jurisdiction pursuant to Section 367.171, F.S.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Discussion of Issues

Issue 1: Should the Commission acknowledge Ordinance No. 2008-57 by the Board of County Commissioners of St. Johns County which transfers jurisdiction over the County's privately-owned water and wastewater utilities to the Commission?

Recommendation: Yes. The Commission should acknowledge Ordinance No. 2008-57 by the County Commissioners of St. Johns County, effective January 16, 2009. All non-exempt, privately-owned water and wastewater utilities in St. Johns County, or any utility which transverses the boundary with St. Johns, should be directed to comply with the provisions of Chapter 367, F.S. (Brady, Williams)

Staff Analysis: Pursuant to Section 367.171(1), F.S., the provisions of the Chapter become effective in a county upon the adoption of a resolution or ordinance by the Board of County Commissioners declaring the County subject to the provision of the Chapter. Any Board of County Commissioners which adopts such a resolution or ordinance is required to immediately notify the Commission of its adoption and submit the resolution or ordinance to the Commission.

On December 2, 2008, the Board of County Commissioners of St. Johns County passed Ordinance No. 2008-57, with the effective date to be the date of its proper filing with the Florida Public Service Commission. Therefore, the effective date of Ordinance No. 2008-57 is January 16, 2009.

Pursuant to Section 367.171(2)(a), F.S., each privately-owned utility in St. Johns County is required to register with the Commission within thirty (30) days of the date the Commission received jurisdiction, or by February 16, 2009. All utilities must obtain either a certificate of authorization from the Commission, or must be exempt from Commission regulation, pursuant to Section 367.031, F.S.

Pursuant to Section 367.171(2)(b), F.S., each utility engaged in the operation or construction of a system is entitled to receive a grandfather certificate for the area served by the utility on the day the Chapter becomes applicable to it. Within 90 days after the day the Chapter becomes applicable to it, the utility is required to make application for a grandfather certificate by filing an application with the Commission. In addition, since they are subject to the Chapter, each utility must continue to collect the rates and charges for water and wastewater service which were being collected on January 16, 2009, until changed by the Commission.

Staff has contacted the County Administrator for a list of the privately-owned water and wastewater utilities which were regulated by St. Johns County on January 16, 2009, along with available information on each utility's current rates, charges, and territory served. Staff has also contacted the Florida Department of Environment Protection (FDEP) to advise it of the Ordinance, and to obtain a list of all privately-owned water and wastewater facilities in St. Johns which FDEP monitors for environmental compliance. The utilities identified by the County and FDEP will receive a letter from Commission staff advising them of the transfer of jurisdiction and providing them with information to determine whether or not they are exempt from Commission regulation pursuant to Section 367.022, F.S.

Entities which are not exempt from Commission regulation will receive instruction for filing an application for grandfather certificates. The resulting applications will be processed in individual dockets. These applicants will also be advised of their responsibility to file an annual report for 2009, pursuant to Rule 25-30.110, Florida Administrative Code (F.A.C.), as well as their responsibility to remit annual regulatory assessment fees (RAFs) from January 16 through December 31, 2009, pursuant to Rule 25-30.120, F.A.C. The applicants will also be advised of their right to file for a pass-through of RAFs, should they not be currently collecting RAFs, or if they are collecting a lesser amount than they would be paying to the Commission.

Staff, therefore, recommends that the Commission acknowledge Ordinance No. 2008-57 by the County Commissioners of St. Johns County, effective January 16, 2009. All non-exempt, privately-owned water and wastewater utilities in St. Johns County, or any utility which transverse the boundary between St. Johns and any other County, should be directed to comply with the provisions of Chapter 367, F.S.

Docket No. 090029-WS

Date: January 29, 2009

Issue 2: Should this docket be closed?

Recommendation: Yes. Since there are no pending issues in this docket, the docket should be closed upon the issuance of a final order. (Williams)

Staff Analysis: Since there are no pending issues in this docket, the docket should be closed upon the issuance of a final order.