

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for grandfather certificate to operate water utility in St. Johns County by Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility.

DOCKET NO. 090185-WU  
ORDER NO. PSC-09-0752-PAA-WU  
ISSUED: November 16, 2009

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman  
LISA POLAK EDGAR  
NANCY ARGENZIANO  
NATHAN A. SKOP  
DAVID E. KLEMENT

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING MISCELLANEOUS SERVICE CHARGES, AND  
A LATE PAYMENT CHARGE AND  
FINAL ORDER ACKNOWLEDGING GRANDFATHER WATER CERTIFICATE

NOTICE is hereby given by the Florida Public Service Commission that the setting of miscellaneous service charges and a late payment charge is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.)

BY THE COMMISSION:

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 utilities in St. Johns County to be subject to the provisions of Chapter 367, Florida Statutes (F.S.) The Ordinance was filed with us on January 16, 2009, making that the effective date of the transfer of jurisdiction. We acknowledged the Ordinance by order dated February 12, 2009.<sup>1</sup> Pursuant to Section 367.171(2)(b), F.S., each utility engaged in the operation or construction of a system shall be entitled to receive a certificate for the area served by such utility on the day the chapter becomes applicable to the utility.

On April 13, 2009, Camachee Island Company, Inc. (CIC) d/b/a Camachee Cove Yacht Harbor Utility (Camachee Cove or utility), filed an application for a certificate under grandfather rights to provide water service in St. Johns County pursuant to Section 367.171, F.S. The application was completed on September 8, 2009.

<sup>1</sup> Order No. PSC-09-0092-FOF-WS, issued February 12, 2009, in Docket No. 090029-WS, In Re: 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.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Camachee Cove has been in existence since 1981 and is at build out with approximately 60 residential and 23 general service water customers. Wastewater is provided by the City of St. Augustine. Camachee Cove is located in the St. Johns River Water Management District. This Order addresses the application for a grandfather water certificate, service rates, miscellaneous service charges, and late payment charge. We have jurisdiction pursuant to Sections 367.171 and 367.091, F.S.

As discussed above, the Board of County Commissioners of St. Johns County transferred jurisdiction of privately-owned water and wastewater utilities in the county to us effective January 16, 2009. On April 13, 2009, an application was filed on behalf of Camachee Cove to provide water service under the grandfather rights of Section 367.171(2)(b), F.S. The application, as completed on September 8, 2009, is in compliance with the governing statute and other pertinent statutes and administrative rules concerning an application for grandfather certificates. Noticing is not required for grandfather applications.

The application contains a warranty deed as proof of ownership of the land on which the water facilities are located, an accurate territory description, and adequate service territory and system maps. A description of the territory is appended to this Order as Attachment A.

The utility has been in existence since 1981. Water facilities include reverse osmosis treatment of the water from two wells which are rated at 90 gallons per minute (gpm) and 495 gpm. Raw water is treated with aeration and liquid chlorine and then pumped into the water distribution system from a ground storage tank. The utility is currently in compliance with the Department of Environmental Protection with regard to environmental regulation.

We have advised the utility president that he is required to file an annual report and remit regulatory assessment fees (RAFs) by March 31, 2010, for the period of our jurisdiction from January 16, 2009, through December 31, 2009. In addition, we explained to the utility president the need to keep the utility books and records separate from CIC's other non-utility businesses and to maintain the utility accounts according to the National Association of Regulatory Commissioners' Uniform System of Accounts.

According to the application, the service rates shown on Attachment B were the service rates approved by St. Johns County at the time jurisdiction was transferred to us. On May 22, 2009, the utility applied for a 2009 pass-through rate adjustment to address the inclusion of our RAFs, as authorized by Order No. PSC-09-0092-FOF-WS. The 2009 pass-through adjustment, shown on Attachment B, was approved effective July 1, 2009. Accordingly, the utility's jurisdictional service rates that were in effect when St. Johns County transferred jurisdiction to us are approved effective January 16, 2009, pursuant to grandfather rights in Section 367.171, F.S. Camachee Cove shall charge the approved rates, including the 2009 pass-through rate increase, until authorized to change by us in a subsequent proceeding.

The utility requested miscellaneous service charges and a late payment charge in addition to the rates approved above. The utility's request for miscellaneous service charges and late payment charge was accompanied by its reason for requesting the charges, as well as the cost justification required by Section 367.091, F.S. The utility's proposed miscellaneous service

charges and late payment charge are shown on Attachment B. Pursuant to Rule 25-30.460, Florida Administrative Code, (F.A.C.), all water and wastewater utilities may apply for miscellaneous service charges. These charges include initial connections, normal reconnections, violation reconnections, and premises visit charges.

The utility's requested miscellaneous service charges are based on the hourly rate of the maintenance technician and bookkeeper. The utility will only be charging miscellaneous service charges when a specific customer requests the service or is responsible for the service. The utility's justification for the miscellaneous service charges is to place the burden of these charges on the cost-causer rather than the general body of ratepayers. Based on the utility's expenses, the proposed miscellaneous service charges appear to be reasonable.

In addition to the miscellaneous service charges, the utility proposed a \$5.00 late payment charge. The late payment charge includes the cost of processing and mailing the notice of late payment charge. In addition to encouraging timely payment, the justification for a late payment charge is to also place the burden of processing the charge on the cost-causer. The utility's proposed late payment charge appears to be reasonable.

Based on the above information, Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility's application is acknowledged and the utility shall be issued Certificate No. 647-W, effective January 16, 2009, to serve the territory described in Attachment A. This order shall serve as Camachee Cove's water certificate and shall be retained by the utility. The utility shall file an annual report and remit RAFs by March 31, 2010, for the period of jurisdiction from January 16, 2009, through December 31, 2009.

Based on the above the utility's requested miscellaneous service charges and late payment charge, shown on Attachment B, are reasonable and are approved. Within five working days of the issuance of the PAA order, the utility shall provide a proposed customer notice of the approved charges for Commission staff's review and approval. Once Commission staff has approved the proposed customer notice, the utility may choose to either mail the notice separately to customers or insert it with the next billing cycle. Within five days after the notice is given, the utility shall file an affidavit affirming that the notice has been given to customers of the approved charges. The tariff sheet containing the approved miscellaneous service charges and the late payment charge shall become effective for services rendered on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, F.A.C.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility is granted Certificate No. 647-W to serve the territory described in Attachment A, effective January 16, 2009. It is further

ORDERED that each of the findings made in the body of this Order is hereby approved in every respect. It is further

ORDERED that the attachments to this Order are incorporated by reference herein. It is further

ORDERED that Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility is required to pay regulatory assessment fees and file an annual report from the jurisdictional date, January 16, 2009, through December 31, 2009, by March 31, 2010. It is further

ORDERED that Monthly Water Service Rates on Attachment B are approved effective January 16, 2009, and that Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility is required to charge the approved rates, including the pass-through rate increase, until authorized to change by us in a subsequent proceeding. It is further

ORDERED that the requested miscellaneous service charges and late payment charge shown on Attachment B are approved. It is further

ORDERED that Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility shall file a proposed customer notice to reflect the approved water miscellaneous charges and late payment charge shown on Attachment B. It is further

ORDERED that the tariffs shall be approved upon our staff's verification that the tariffs are consistent with our decision herein. It is further

ORDERED that the approved miscellaneous service charges and late payment charge shall be effective for service rendered on or after the stamped approval date of the tariff sheets pursuant to Rule 25-30.475, F.A.C. It is further

ORDERED the provisions of this Order setting miscellaneous charges and late payment charge, in the event of a protest by a party other than the Utility, are issued as proposed agency action, and shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, F.A.C., is received by the Office of the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings." It is further

ORDERED that if no person whose substantial interests are affected by the Proposed Agency Action issues files a protest within twenty-one days of the issuance of the Order, a Consummating Order will be issued. It is further

ORDERED, in the event no protest is filed, this docket shall remain open for our staff's verification that the customer notice has been filed by the Utility and approved by our staff. Once these actions are complete, this docket shall be closed administratively.

By ORDER of the Florida Public Service Commission this 16th day of November, 2009.



ANN COLE  
Commission Clerk

( S E A L )

LCB

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.

As identified in the body of this order, our action setting miscellaneous charges and a late payment charge is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 7, 2009. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

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 Office of Commission Clerk, 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

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Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Office of Commission Clerk 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.

CAMACHEE ISLAND COMPANY, INC.  
d/b/a  
CAMACHEE COVE YACHT HARBOR UTILITY  
Water Service Area  
St. Johns County

Township 7 South, Range 30 East

Sections 5 and 8

Territory description of portions of Sections 5 and 8, Township 7 South, Range 30 East, St. Johns County, Florida, Being more fully described as follows:

For point of reference, commence at an old red cedar post found by previous surveys and described in deeds as marking the Southwest corner of said Government Lot 3, Section 5, Township 7 South, Range 30 East, also being the Point of Beginning; thence North 21°03'00" West, 686.19'; thence North 60°12'45" East, 6.66'; thence North 31°46'56" West, 669.00'; thence North 24°31'19" West, 1434.26'; thence North 03°52'55" West, 1638.13'; thence North 08°52'55" West, 557.00'; thence North 30°51'32" East, 60.46'; thence North 16°38'00" West, 70.00'; thence North 03°38'00" West, 462.00'; thence South 27°38'00" East, 1452.00'; thence South 02°38'00" East, 1320.00'; thence South 22°08'00" East, 462.00'; thence South 73°38'00" East, 130.00'; thence South 30°56'51" East, 515.05'; thence South 18°00'36" West, 478.81'; thence South 38°34'49" East, 613.35'; thence North 57°27'21" East, 173.28'; thence North 21°12'24" West, 76.64'; thence South 75°55'59" East, 126.55'; thence South 30°55'59" East, 50.00'; thence South 29°04'01" West, 70.00'; thence South 16°39'00" East, 133.08'; thence North 85°12'32" East, 75.94' to the intersection with a curve being concave to the South, having a radius of 50.00' and Delta of 33°33'37"; thence along the chord of said curve, North 86°13'12" East, 28.87'; thence North 07°10'06" West, 228.78'; thence North 63°02'16" East, 157' more or less to the mean highwater line; thence Southeasterly, meandering along the mean highwater line, 1200' more or less; thence South 25°01'07" West, 110.00'; thence South 22°57'00" East, 24.24'; thence South 67°03'00" West, 115.75'; thence South 00°31'00" East, 718.29' to the intersection with a curve being concave to the Southeast having a radius of 2392.00' and Delta of 02°42'18", said curve also being the Northerly right-of-way line of State Road A-1-A; thence Southwesterly along said curve an arc length distance of 112.93' to the Point of Curvature of said curve; thence South 48°31'00" West, along said Northerly right-of-way line, 381.63'; thence North 21°03'00" West, 1022.21' to the Point of Beginning.

**FLORIDA PUBLIC SERVICE COMMISSION  
authorizes  
Camachee Cove Yacht Harbor, Inc.  
pursuant to  
Certificate Number 647-W**

to provide water service in St. Johns County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
*	*	090185-WS	Grandfather Certificate

**\*Order Number and date to be provided at time of issuance.**



**CAMACHEE ISLAND COMPANY, INC.**  
d/b/a  
**CAMACHEE COVE YACHT HARBOR UTILITY**

**Monthly Water Service Rates**

	<b>Jurisdictional Rates Effective <u>January 16, 2009</u></b>	<b>Pass-Through Rates Effective <u>July 1, 2009</u></b>
First 3,000 gallons	\$15.41	\$16.10
All over 3,000 gallons (per 1,000 gallons)	\$ 3.98	\$ 4.16

**Miscellaneous Service Charges  
and Late Payment Charge**

Initial Connection	\$25.00
Normal Reconnection	\$30.00
Violation Reconnection	\$30.00
Premise Visit (In Lieu Of Disconnection)	\$15.00
Late Payment Charge	\$ 5.00