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Public Service Commission

March 15, 2010

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COMMISSION
CLERK

Wayne Smith
Black Bear Reserve Water Company, Inc.
P.O. Box 440
Eustis, FL 32727

Re: **Docket No. 100085-WU, Application for certificate to operate water utility in Lake County by Black Bear Reserve Water Company, Inc.**

Dear Mr. Smith:

Staff has reviewed the application for Black Bear Reserve Water Company, Inc. (BBRWC or utility). The application is substantially deficient and, upon review, it appears that the correct application should have been for a certificate of authorization for an existing utility currently charging for service pursuant to Rule 25-30.034, Florida Administrative Code (F.A.C.). While most of the items you filed under Rule 25-30.033, F.A.C. are also required by Rule 25-30.034, F.A.C., some additional items which have been identified by you as late-filed exhibits will not be necessary and other items are necessary. Listed below are the deficiencies required by Rule 25-30.034, F.A.C., as well as additional information needed in order for staff to complete its review of your application. For ease of reference, a copy of Rule 25-30.034, F.A.C., is enclosed with this letter.

Deficiencies

- Utility Name.** Rule 25-30.034(1)(a), F.A.C., requires the utility's complete name and address. There is no listing for Black Bear Reserve Water Company, Inc. with the Department of State, Division of Corporations. There is a listing for Black Bear Reserve Water Company without the "Inc." Please verify whether the utility is to be known as the latter. If not, then you will need to provide proof of registration of the former name as either a corporation or a fictitious name.
- Financial Ability.** Rule 25-30.034(1)(d), F.A.C., requires a statement of the financial ability of the applicant to continue to provide service. If the Black Bear Reserve Homeowners Association, Inc. (BBRHOA) is the sole owner of BBRWC, provide a financial statement for the BBRHOA along with documentation of its commitment to use its resources to fund the BBRWC, when necessary.

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3. **Technical Ability.** Rule 25-30.034(1)(d) and (k), F.A.C., requires a statement of the technical ability of the applicant to continue to provide service and the utility's licensing and permit information. Please provide a list of all current operators of the BBRWC water system, along with their Department of Environmental Protection (DEP) classification and license numbers. Also, please provide a copy of all construction permits from DEP and the current consumptive use permit from the Water Management District. If the utility has any outstanding violations with either of these agencies, please provide a copy of the correspondence and describe the steps the utility is taking to remedy the violations.
4. **Land.** Rule 25-30.034(1)(e), F.A.C., requires evidence that the utility owns the land upon which the treatment facilities are located, or a copy of an agreement which provides for the continued use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative. If the utility does not have any of these documents, please provide the name of the entity that is the recorded owner of the land; the steps the utility has taken towards owning or having continued use of the land; and when a resolution regarding ownership of the land is expected. The explanation should also describe the current means by which the utility has access to the plant.
5. **Tariff.** Rule 25-30.034(1)(f), F.A.C., requires the original and two copies of a model tariff, containing all rates, classifications, charges, and rules and regulation, consistent with Chapter 25-9, F.A.C. A model water tariff is available on the Commission's website with the water and wastewater application packages. The model tariff is essentially complete except for territory description, rates and charges, and forms, which are specific for each utility.
6. **Authority.** Rule 25-30.034(1)(g), (l), and (m), F.A.C., requires a statement specifying on what date and under what authority the current rates and charges were established; the date the utility was established; and a statement explaining how and why the applicant began providing service prior to obtaining a certificate of authorization. Please provide the required statements.
7. **System Map.** Rule 25-30.034(1)(i), F.A.C., requires one copy of a detailed system map showing the lines, treatment facilities, and the territory to be served. The system map(s) needs to be of sufficient scale and detail to enable a correlation with the description of the territory to be served.
9. **Customers.** Rule 25-30.034(1)(n), F.A.C., requires a schedule showing the number of customers currently being served, by class (residential and general service) and meter size, as well as the number of customers projected to be served when the requested territory is fully occupied, if applicable. Please provide a schedule showing the number of current and projected customers by customer class and meter size.

Additional Information

1. **Legal Description.** Rule 25-30.034(1)(h), F.A.C., requires a description of the territory to be served, using township, range, and section references as specified in Rule 25-30.030(2), F.A.C. Along with the application were a series of territory maps for Clar Mart, Upson Downs, Village of Black Bear, and Estates at Black Bear Reserve. Some of the maps for these communities contain a separate legal description for each developmental unit within the community, rather than a legal description for the community as a whole. In addition, it appears that the four communities are adjacent to each other. If so, the legal description for the proposed service territory would be significantly shorter and

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easier to follow if it described the perimeter of the entire territory that encompasses all the communities being served by the utility.

- a. Please provide a consolidated legal description for the perimeter of the entire proposed service territory using metes and bounds, as well as township, range, and section references.
- b. Please provide a territory map that shows the entire proposed service territory boundary with the consolidated legal description plotted along the perimeter boundary.
- c. Please provide the current names for the communities listed above, if different from that shown on the maps .

The information for the above items should be filed directly with the Office of the Commission Clerk no later than April 16, 2010. The filing should reference Docket No. 100085-WU and be sent to the following address:

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

If you have any questions regarding the information requested, please contact me or my staff, Ms. Patricia Brady at (850) 413-6686, pbrady@psc.state.fl.us, and Mr. Jay Williams at (850) 413-6448, jay.williams@psc.state.fl.us.

Sincerely,



Patti Daniel
Public Utilities Supervisor
Bureau of Certification, Economics & Tariffs

Enclosure
PD/PB:kb

cc: Division of Economic Regulation (Brady, Williams)
Office of the General Counsel (Holley)
Office of Commission Clerk

25-30.034 Application for Certificate of Authorization for Existing Utility Currently Charging for Service.

(1) Each existing utility currently charging for service, which is applying for an initial certificate of authorization, other than under Section 367.171, F.S., shall provide the following information:

- (a) The utility's complete name and address;
 - (b) The nature of the utility's business organization, i.e., corporation, partnership, limited partnership, sole proprietorship, association, etc.;
 - (c) The name(s) and address(es) of all corporate officers, directors, partners, or any other person(s) owning an interest in the utility;
 - (d) A statement regarding the financial and technical ability of the applicant to continue to provide service;
 - (e) Evidence that the utility owns the land upon which the utility treatment facilities are located, or a copy of an agreement which provides for the continued use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative;
 - (f) One original and two copies of a model tariff, containing all rates, classifications, charges, rules, and regulations, which shall be consistent with Chapter 25-9, F.A.C. Model tariffs are available from the Division of Economic Regulation, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850;
 - (g) A statement specifying on what date and under what authority the current rates and charges were established;
 - (h) A description of the territory to be served, using township, range and section references as specified in subsection 25-30.030(2), F.A.C.;
 - (i) One copy of a detailed system map showing the lines, treatment facilities and the territory to be served. Any territory not served at the time of the application shall be specifically identified on the system map. The map shall be of sufficient scale and detail to enable correlation with the description of the territory to be served;
 - (j) One copy of the official county tax assessment map, or other map showing township, range, and section with a scale such as 1"=200' or 1"=400', with the proposed territory plotted thereon by use of metes and bounds or quarter sections, and with a defined reference point of beginning;
 - (k) The numbers and dates of any permits issued for the systems by the Department of Environmental Protection;
 - (l) The date the utility was established;
 - (m) A statement explaining how and why applicant began providing service prior to obtaining a certificate of authorization; and
 - (n) A schedule showing the number of customers currently served, by class and meter size, as well as the number of customers projected to be served when the requested service territory is fully occupied.
- (2) If the applicant is requesting any territory not served at the time of application, provide the following:
- (a) A statement showing the need for service in the proposed area; and
 - (b) A statement that to the best of the applicant's knowledge, the provision of service in this territory will be consistent with the water and wastewater sections of the local comprehensive plan as approved by the Department of Community Affairs at the time the application is filed, or, if not consistent, a statement demonstrating why granting the territory would be in the public interest.

Specific Authority 350.127(2), 367.121, 367.1213 FS. Law Implemented 367.045, 367.1213 FS. History—New 1-27-91, Amended 11-30-93.