

Discussion of Issues

Issue 1: Should the Commission approve North Peninsula's application for amendment of Certificate 249-S in Volusia County?

Recommendation: Yes. The Commission should approve North Peninsula's application for amendment of Certificate 249-S to include territory as reflected in Attachment A. The resultant order should serve as North Peninsula's amended certificate and should be retained by the Utility. Pursuant to Rule 25-9.044(1), Florida Administrative Code (F.A.C.), the Utility should charge the customer in the territory added herein the rates and charges contained in its current tariff until authorized to be changed by the Commission. (Simpson)

Staff Analysis: On June 7, 2010, the Utility applied for an amendment to Certificate No. 249-S in Volusia County, Florida, to serve a single home whose septic tank was failing. The requested territory is contiguous to the existing Utility's service territory and consists of a single home. According to North Peninsula, no other utility in the area is willing or capable of providing reasonably adequate service to the territory. The Utility has submitted an affidavit consistent with Section 367.045(2)(d), F.S., that it has tariffs and annual reports on file with the Commission.

The application is in compliance with the governing statute, Section 367.045, F.S., and other pertinent statutes and administrative rules concerning applications for amendment of certificate. The application contains proof of compliance with the noticing provisions in Rule 25-30.030, F.A.C. No objections were received and the time for such has expired. The North Peninsula wastewater treatment plant has sufficient capacity to serve an additional home.

North Peninsula's wastewater system is regulated by the Department of Environmental Protection (DEP) Central District Office located in Orlando. On February 23, 2010, DEP issued a warning letter to the Utility indicating that there were three possible violations of law. The first violation was an unauthorized discharge of raw domestic wastewater to a surface water body. The second violation occurred on January 31, 2010 and February 2, 2010, when wastewater spills were not reported to the DEP. The third violation occurred when one of the lift stations was inoperative and DEP was not notified of that event. In the Utility's response to the warning letter, North Peninsula indicated that all operational problems at the lift stations will be reported to DEP in the future. Second, the plant and lift station pumps have been rebuilt. Third, a pump and motor are now available for emergency replacement. Fourth, new emergency lights have been installed at the lift stations. Fifth, a monitoring and communication system has also been installed to ensure limited future problems. North Peninsula had also indicated that for the last 20 years of operation, the Utility has not had any problems or spills of this nature. In a follow-up letter from DEP to the Utility, North Peninsula was required to pay a fine. However, North Peninsula had disputed the amount of the fine and DEP and the Utility are working on a resolution.

Although, North Peninsula has DEP violations at this time, staff believes that the Utility has instituted measures to minimize or eliminate spills of this nature. Therefore, it is in the public interest to approve the application filed by North Peninsula to amend its territory to include the area described Attachment A. The resultant order should serve as North Peninsula's

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amended certificate and should be retained by the Utility. Pursuant to Rule 25-9.044(1), F.A.C., the Utility should charge the customer in the territory added herein the rates and charges contained in the current tariff until authorized to be changed by the Commission.

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Issue 2: Should this docket be closed?

Recommendation: Yes, if staff's recommendation in Issue 1 is approved, no further action is required and the docket should be closed. (Jaeger)

Staff Analysis: If Issue 1 is approved, no further action is required and the docket should be closed.

NORTH PENINSULA UTILITIES CORPORATION
DESCRIPTION OF WASTEWATER TERRITORY TO BE ADDED
VOLUSIA COUNTY

TOWNSHIP 13 SOUTH, RANGE 32 EAST

Section 21

PART OF THE NORTHERLY 176 FEET, AS MEASURED AT RIGHT ANGLES OF THE SOUTHERLY ½ OF LOTS 1 AND 2, SECTION 21, TOWNSHIP 13 SOUTH, RANGE 32 EAST, AS LAYS WESTERLY OF JOHN ANDERSON HIGHWAY, IN VOLUSIA COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE NORTHLINE OF SECTION 21 WITH THE WESTERLY LINE OF JOHN ANDERSON HIGHWAY; RUN THENCE SOUTHEASTERLY ALONG SAID WESTERLY LINE OF JOHN ANDERSON HIGHWAY 870 FEET MORE OR LESS TO THE NORTHERLY LINE OF ATLANTIC SHORE SUBDIVISION; RUN THENCE NORTHWESTERLY ALONG SAID WESTERLY LINE OF JOHN ANDERSON HIGHWAY 91.89 FEET TO THE POINT OF BEGINNING; THENCE WESTERLY PARALLEL TO THE NORTHERLY LINE OF SAID ATLANTIC SHORES SUBDIVISION, 122.96 FEET TO THE WESTERLY FACE OF MASONARY SEAWALL IN THE HALIFAX RIVER; THENCE NORTHWESTERLY ALONG SAID SEAWALL AND A NORTHERLY EXTENSION THEREOF, 95 FEET MORE OR LESS TO ITS INTERSECTION WITH THE NORTHERLY LINE OF THE SOUTHERLY ½ OF AFORESAID LOTS 1 AND 2, SECTION 21, EXTENDED WESTERLY THENCE EASTERLY, PARALLEL TO THE NORTHERLY LINE OF ATLANTIC SHORE SUBDIVISION AFORESAID, 125.22 FEET TO THE WESTERLY LINE OF AFORESAID JOHN ANDERSON HIGHWAY; THENCE SOUTHEASTERLY ALONG SAID WESTERLY LINE 91.89 FEET TO THE POINT OF BEGINNING.

FLORIDA PUBLIC SERVICE COMMISSION
authorizes
North Peninsula Utilities Corp.
pursuant to
Certificate Number 249-S

to provide wastewater service in Volusia 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, canceled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
8116	12/22/77	770595-S	Original Certificate
9365	05/09/80	800320-S	Amendment
22345	12/27/89	891016-SU	Transfer Certificate
24272	03/21/91	900659-SU	Amendment
PSC-96-0262-FOF-SU	02/23/96	951373-SU	Amendment
PSC-09-0420-FOF-SU	06/15/09	090040-SU	Amendment
PSC-09-0420A-TRF-SU	07/21/09	090040-SU	Amendatory
*		100317-SU	Amendment

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