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JULIE I. BROWN

STATE OF FLORIDA



MARSHALL WILLIS, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

May 7, 2012

RECEIVED-FPSC
12 MAY - 7 PM 3: 23
COMMISSION
CLERK

Mr. Mike Smallridge
Four Points Utility Corporation
P. O. Box 1798
Eaton Park, Florida 33840

Re: Docket No. 120080-WS, Application for amendment of Certificate Nos. 634-W and 544-S to add territory in Polk County by Four Points Utility Corporation

Dear Mr. Smallridge:

Staff has reviewed the above-referenced filing on behalf of Four Points Utility Corporation (Four Points or Utility) and determined that the following information is necessary to meet the requirements of Commission rules and to clarify the application. A description of the rule requirement is provided in each item for your reference.

Deficiencies

- 1. Financial and Technical Ability.** Rule 25-30.036(3)(b), Florida Administrative Code (F.A.C.), requires that the application contain a statement showing the financial and technical ability of the utility to provide service. Please provide information showing Four Points' financial and technical ability to provide service to the proposed service territory.
- 2. Detailed System Map.** Rule 25-30.036(3)(f), F.A.C., requires that the application contain one copy of a detailed system map showing the proposed lines, treatment facilities, and the territory to be served. The map should be of sufficient scale and detail to enable correlation with the description of the territory to be served. The application indicates this will be a late-filed exhibit.
- 3. County Tax Assessment Map.** Rule 25-30.036(3)(i), F.A.C., requires that the application contain 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 the defined reference point of beginning. The application indicates this will be a late-filed exhibit.
- 4. Tariff.** Rule 25-30.036(3)(o), F.A.C., requires that the application contain one original and two copies of sample tariff sheets reflecting the additional service area. Please provide proposed tariff sheets to reflect the addition of the proposed service area to Four Points' tariff.
- 5. Notices.** Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, F.A.C., require that the utility provide notice of the application to certain government officials and utilities, the utility's

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Internet E-mail: contact@psc.state.fl.us

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FPSC-COMMISSION CLERK

customers, and for publication in a local newspaper. Enclosed is a proposed notice, as well as the Commission's list of parties to be noticed. Please provide the following:

- (a) Notice to governing bodies, utilities, and other government officials. Please provide a copy of the notice that was sent, a list of the entities that were noticed (you may provide a copy of the Commission list that you used), and a notarized affidavit that the notices were sent, including the date the notices were sent.
 - (b) Notice to Four Points' and Bimini Bay Utilities Corporation's (Bimini Bay) customers. Please provide a copy of the notice sent to customers and a notarized affidavit that the notice of actual application was given in accordance with Rule 25-30.030, F.A.C., by regular mail or personal delivery to each customer of the system.
 - (c) Notice in a newspaper. Immediately upon completion of publication, please provide an affidavit that the notice of actual application was published once in a newspaper of general circulation in the affected service territory in accordance with Rule 25-30.030, F.A.C. Please include a copy of the proof of publication from the newspaper with the affidavit.
6. **Filing Fee.** Rule 25-30.020(2)(b), F.A.C., requires that an application for extension of service territory filed pursuant to Section 367.045, F.S., be filed with an accompanying fee dependent upon the territory's proposed capacity to serve. Accordingly, a filing fee of \$500 for water service and \$500 for wastewater service, for a total of \$1,000, must be submitted in order for the above-referenced amendment docket to be processed by the Commission.

Additional Information

1. **Land Easements.** Please provide evidence that the Utility has easements for the land upon which the Utility's water transmission and distribution system and wastewater collection system and lift stations are located.
2. **Territory Description.** Rule 25-30.036(3)(e), F.A.C., requires that the application contain a description of the territory proposed to be served, using township, range and section references as specified in subsection 25-30.030(2), F.A.C. Staff has reviewed the legal description provided in the application and found that it contains errors. Staff suggests that the Utility use the following legal description:

In Township 25 South, Range 26 East, Polk County:
That portion of the Southwest 1/4 of the Southwest 1/4 of Section 1, lying west of U.S. Highway 27; The South 1/2 of the Southeast 1/4 of Section 2.
3. **Temporary Emergency Rates.** By letter dated April 16, 2012, the Utility requested that Four Points' rates become effective for Bimini Bay's customers on a temporary emergency basis, pending the processing of the amendment docket referenced herein. The granting of temporary emergency rates is an extraordinary remedy. Historically, each time temporary emergency rates have been granted, the utility was required to hold the rates subject to refund, secured by such mechanisms as a bond or letter of credit. Furthermore, the number of cases in which the Commission granted temporary emergency rates prior to a certificate being issued for the proposed service territory is extremely limited and very fact specific. In order for the Commission to

consider the Utility's request for temporary emergency rates, it will need additional information as to why the receiver requires additional funds to operate Bimini Bay. Bimini Bay is currently operating as a reseller of purchased water and wastewater and should be recouping those expenses. Lacking from the Utility's letter is a detailed explanation of what additional operating expenses, working capital, and taxes are necessary for Bimini Bay to continue providing service to its customers. The Utility may wish to include any additional information that it believes the Commission should consider in determining whether to grant temporary emergency rates to the non-certificated utility while Four Points' application for amendment is pending. If the Utility wishes to pursue its temporary emergency rates request for Bimini Bay, please file the detailed information listed above in Docket No. 120080-WS. Commission staff encourages the Utility to work expeditiously on the amendment process, as staff has identified instances in which the Commission granted rates and certificates at the same Agenda.

4. **Security.** Should the Commission approve the Utility's request for temporary emergency rates, please describe the type of security the Utility's receiver would be able to obtain (escrow, corporate undertaking, letter of credit, or bond) in the event a refund is ultimately required.
5. **Final Rates.** In the event the Utility chooses not to pursue its request for temporary emergency rates, the Commission will still require the specific information previously described pertaining to operating expenses, working capital, and taxes. Please provide a schedule showing the projected operating and maintenance expenses for Bimini Bay, including purchased water and wastewater, chemicals, electricity, salaries, etc. for a twelve month period.

Please file the **original and four copies** of the response to the information requested in this letter with the Commission on or before **June 7, 2012**. When filing the response, please be sure to refer to the docket number, 120080-WS, and to direct the response to:

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Should you have any questions concerning the above-referenced items, please feel free to contact Melissa Jones-Alexis at (850) 413-6997 or James McRoy at (850) 413-6934.

Sincerely,



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

PD:mja

cc: Division of Economic Regulation (Jones-Alexis, Golden, McRoy)
Office of the General Counsel (Bennett, Lawson)
Office of Commission Clerk (Docket No. 120080-WS)

NOTICE OF APPLICATION FOR AN EXTENSION OF SERVICE AREA

LEGAL NOTICE

NOTICE IS HEREBY GIVEN on this _____ day of _____, 2012, pursuant to Section 367.045, Florida Statutes, and Rule 25-30.030, Florida Administrative Code, of the application for amendment of Certificate Nos. 634-W and 544-S to add territory in Polk County by Four Points Utility Corporation (Four Points or Utility). The Utility proposes to extend its existing certificated water and wastewater service territory to include the Bimini Bay Resort and Spa townhome development, located in Polk County and specifically described as follows:

In Township 25 South, Range 26 East, Polk County:

That portion of the Southwest 1/4 of the Southwest 1/4 of Section 1, lying west of U.S. Highway 27; The South 1/2 of the Southeast 1/4 of Section 2.

In addition to its request for amendment of its service area, the Utility has requested to establish rates and charges for Bimini Bay Utilities Corporation (Bimini Bay). Currently, Bimini Bay operates as a reseller, which means that the Utility is authorized to collect from its customers only the cost of the water and wastewater services provided by Polk County. By establishing rates and charges, the Utility will also be able to recover the costs of maintenance and repairs to the utility facilities.

The Utility has provided proposed rates and charges to be collected from Bimini Bay's customers. These rates are subject to change based on further information gathered, further staff review, and the final decision by the Commissioners. Bimini Bay's current and proposed rates and charges are as follows:

<u>Monthly Water Rates</u>	<u>Current**</u>	<u>Proposed</u>
<u>Residential & General Service</u>		
Base Facility Charge		
5/8" x 3/4" meter	\$	\$
Gallonge Charge per 1,000 Gallons		
First 10,000 gallons	\$	\$
Over 10,000 gallons	\$	\$
<u>Typical Residential Water Bills: 5/8" x 3/4" Meter</u>		
3,000 gallons	\$	\$
5,000 gallons	\$	\$
10,000 gallons	\$	\$

Monthly Wastewater Rates

Residential Service

Base Facility Charge		
5/8" x 3/4" meter	\$	\$
Gallonge Charge per 1,000 Gallons		
First 10,000 gallons*	\$	\$

*Residential wastewater gallonge cap = 10,000 gallons per month.

General Service

Base Facility Charge		
5/8" x 3/4" meter	\$	\$
Gallonge Charge per 1,000 Gallons		
All usage	\$	\$

Typical Residential Wastewater Bills: 5/8" x 3/4" Meter

3,000 gallons	\$	\$
5,000 gallons	\$	\$
10,000 gallons	\$	\$

**Current rates are calculated as average annualized rates for comparison purposes.

Any objections to the application must be made in writing and filed with the Commission Clerk at

Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

no later than 30 days from the date of this Notice, with a copy to

Four Points Utility Corporation
c/o Michael Smallridge
P.O. Box 1798
Eaton Park, FL 33840

The objection must state the grounds for the objection with particularity. All correspondence should reference **Docket No. 120080-WS**.

Four Points Utility Corporation
(352) 302-7406

**LIST OF WATER AND WASTEWATER UTILITIES IN POLK COUNTY
(VALID FOR 60 DAYS)
05/07/2012 - 07/05/2012**

<u>UTILITY NAME</u>	<u>POLK COUNTY</u>	<u>MANAGER</u>
ALTURAS UTILITIES, L.L.C. (WU871) P. O. BOX 1798 EATON PARK, FL 33840-1798		MIKE SMALLRIDGE (352) 302-7406
ANGLERS COVE WEST, LTD. (WS817) P. O. BOX 5252 LAKELAND, FL 33807-5252		BRIAN ALTMAN (863) 647-1581
AQUA UTILITIES FLORIDA, INC. (WS884) 2228 CAPITAL CIRCLE N.E., SUITE 1A TALLAHASSEE, FL 32308-4306		TROY RENDELL (850) 575-8500
CHC VII, LTD. (WS816) P. O. BOX 5252 LAKELAND, FL 33807-5252		BRIAN ALTMAN (863) 647-1581
CROOKED LAKE PARK SEWERAGE COMPANY (SU785) 227 CALOOSA LAKE CIRCLE, NORTH LAKE WALES, FL 33859-8605		KENNETH J. KNOWLTON (863) 638-3117
CYPRESS LAKES UTILITIES, INC. (WS800) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4027		PATRICK C. FLYNN (407) 869-1919 EXT 1359
FOUR LAKES GOLF CLUB, LTD. (WS815) P. O. BOX 5252 LAKELAND, FL 33807-5252		BRIAN ALTMAN (863) 647-1581
FOUR POINTS UTILITY CORPORATION (WS898) P. O. BOX 1798 EATON PARK, FL 33840-1798		MICHAEL (MIKE) SMALLRIDGE (352) 302-7406
GOLD COAST UTILITY CORP. (WS899) 2517 ELM CIRCLE LAKE WALES, FL 33898-7030		KEITH A. BURGE (772) 201-3299
GRENELEFE RESORT UTILITY, INC. (WS770) 5601 WINDHOVER DRIVE ORLANDO, FL 32819-7914		BRYON SMITH (407) 351-3350 EXT 189
HIDDEN COVE, LTD. (WS814) P. O. BOX 5252 LAKELAND, FL 33807-5252		BRIAN ALTMAN (863) 647-1581

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<u>UTILITY NAME</u>	<u>MANAGER</u>
<u>POLK COUNTY</u>	
KEEN SALES, RENTALS AND UTILITIES, INC. (WU771) 685 DYSON ROAD HAINES CITY, FL 33844-8587	MELINDA KEEN DUNNAHOE (863) 421-6827
MOUNTAIN LAKE CORPORATION (WU791) P. O. BOX 832 LAKE WALES, FL 33859-0832	ROBERT E. MARTIN (863) 676-3494
ORCHID SPRINGS DEVELOPMENT CORPORATION (WS789) 250 AVENUE K, S.W., SUITE 100 WINTER HAVEN, FL 33880-3919	CAROL C. RHINEHART (863) 324-3698
PARK WATER COMPANY (WU776) 25 FIRST AVENUE NORTH LAKE WALES, FL 33859-8761	ANTHONY STAIANO (863) 232-7777
PINECREST RANCHES, INC. (WU779) P. O. BOX 1798 EATON PARK, FL 33840-1798	MICHAEL A. SMALLRIDGE (352) 302-7406
PLANTATION LANDINGS, LTD. (WS813) P. O. BOX 5252 LAKELAND, FL 33807-5252	BRIAN ALTMAN (863) 647-1581
RIVER RANCH WATER MANAGEMENT, L.L.C. (WS850) 5601 WINDHOVER DRIVE ORLANDO, FL 32819-7936	MARK WALTRIP (407) 351-3351 EXT 101
S. V. UTILITIES, LTD. (WS812) P. O. BOX 5252 LAKELAND, FL 33807-5252	BRIAN ALTMAN (863) 647-1581
SUNRISE UTILITIES, LLC (WU870) P. O. BOX 1798 EATON PARK, FL 33840-1798	MIKE SMALLRIDGE (352) 302-7406
TBBT UTILITY LLC (WS918) 9414 LORENDALE CIRCLE SPRINGHILL, FL 34608-4762	TODD MOONEY (352) 683-4207
TEVALO, INC. D/B/A MCLEOD GARDENS WATER COMPANY (WU841) P. O. BOX 2898 WINTER HAVEN, FL 33883-2898	LAURA V. GRIFFITH (863) 293-2577

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UTILITY NAME

POLK COUNTY

MANAGER

WEST LAKELAND WASTEWATER, INC. (SU836)
P. O. BOX 1798
EATON PARK, FL 33840-1798

MICHAEL SMALLRIDGE
(352) 302-7406

**LIST OF WATER AND WASTEWATER UTILITIES IN POLK COUNTY
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UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CENTRAL FL. REGIONAL PLANNING COUNCIL
P.O. BOX 2089
BARTOW, FL 33831

CITY MANAGER, CITY OF BARTOW
P. O. BOX 1069
BARTOW, FL 33830-1069

CLERK, BOARD OF COUNTY COMMISSIONERS, POLK COUNTY
P. O. BOX 9000, DRAWER CC-1
BARTOW, FL 33831-9000

DEP CENTRAL DISTRICT
3319 MAGUIRE BLVD., SUITE 232
ORLANDO, FL 32803-3767

DEP SOUTHWEST DISTRICT
13051 N. TELECOM PARKWAY
TEMPLE TERRACE, FL 33637-0926

MAYOR, CITY OF AUBURNDALE
P. O. BOX 186
AUBURNDALE, FL 33823-0186

MAYOR, CITY OF DAVENPORT
P. O. BOX 125
DAVENPORT, FL 33836-0125

MAYOR, CITY OF EAGLE LAKE
P. O. BOX 129
EAGLE LAKE, FL 33839-0129

MAYOR, CITY OF FROSTPROOF
P. O. BOX 308
FROSTPROOF, FL 33843-0308

MAYOR, CITY OF FT. MEADE
P. O. BOX 856
FT. MEADE, FL 33841-0856

MAYOR, CITY OF HAINES CITY
P. O. BOX 1507
HAINES CITY, FL 33845-1507

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(VALID FOR 60 DAYS)
05/07/2012 - 07/05/2012**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

MAYOR, CITY OF LAKE ALFRED
120 EAST POMELO STREET
LAKE ALFRED, FL 33850-2136

MAYOR, CITY OF LAKE WALES
P. O. BOX 1320
LAKE WALES, FL 33859-1320

MAYOR, CITY OF LAKELAND
228 SOUTH MASSACHUSETTS AVENUE
LAKELAND, FL 33801-5012

MAYOR, CITY OF MULBERRY
P. O. BOX 707
MULBERRY, FL 33860-0707

MAYOR, CITY OF WINTER HAVEN
P. O. BOX 2277
WINTER HAVEN, FL 33883-2277

MAYOR, TOWN OF DUNDEE
P. O. BOX 1000
DUNDEE, FL 33838-1000

MAYOR, TOWN OF HILLCREST HEIGHTS
151 SCENIC HIGHWAY, N.
P. O. BOX 129
BABSON PARK, FL 33827-0127

MAYOR, TOWN OF LAKE HAMILTON
P. O. BOX 126
LAKE HAMILTON, FL 33851-0126

MAYOR, TOWN OF POLK CITY
123 BROADWAY BLVD., S.E.
POLK CITY, FL 33868-9225

MAYOR, VILLAGE OF HIGHLAND PARK
P. O. BOX 168
LAKE WALES, FL 33859-0168

S.W. FLORIDA WATER MANAGEMENT DISTRICT
2379 BROAD STREET
BROOKSVILLE, FL 34609-6899

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05/07/2012 - 07/05/2012**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

SO. FLORIDA WATER MANAGEMENT DISTRICT
P.O. BOX 24680
WEST PALM BEACH, FL 33416-4680

**LIST OF WATER AND WASTEWATER UTILITIES IN POLK COUNTY
(VALID FOR 60 DAYS)
05/07/2012 - 07/05/2012**

UTILITY NAME

STATE OFFICIALS

MANAGER

OFFICE OF PUBLIC COUNSEL
111 WEST MADISON STREET
SUITE 812
TALLAHASSEE, FL 32399-1400

OFFICE OF COMMISSION CLERK
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850