COMMISSIONERS: MIKE LA ROSA, CHAIRMAN ART GRAHAM GARY F. CLARK ANDREW GILES FAY GABRIELLA PASSIDOMO



DIVISION OF ENGINEERING TOM BALLINGER DIRECTOR (850) 413-6910

Public Service Commission

July 11, 2024

VIA CERTIFIED MAIL AND EMAIL

Mr. Chet Carter Quail Heights Utilities LLC 161 SW Quail Heights Terrace Lake City, FL 32025 <u>ccarter@quailheightscc.com</u>

Re: Docket No. 20240089-WS - Resolution of the Board of County Commissioners of Columbia County declaring Columbia County subject of the provisions of Section 367, F.S.

Dear Mr. Carter:

The Board of County Commissioners of Columbia County (County) adopted Resolution No. 2024R-13 on May 16, 2024. The resolution transferred jurisdiction over privately-owned water and wastewater utilities in Columbia County to the Florida Public Service Commission (FPSC or Commission), effective the date the County voted on the resolution. A copy of the Commission's order acknowledging the transfer of jurisdiction is attached.

The FPSC is a state agency which provides economic regulation over utility rates and charges pursuant to Chapter 367, Florida Statute (F.S.). Our jurisdiction is separate and distinct from the jurisdiction of the Florida Department of Environmental Protection and your local water management district. Please be aware that you may not change any rate or charge, extend or delete any territory, acquire another utility, transfer your utility or majority control of your utility, or change the name of your utility without prior Commission approval.

Pursuant to Section 367.171(2), F. S., you are entitled to receive a grandfather certificate for the area you are currently serving if you file an application by Wednesday, August 14, 2024. Pursuant to Rule 25-30.035, Florida Administrative Code (F.A.C.), the application must include, among other things, a map and legal description of the existing service area and tariffs listing all existing rates and charges. In addition, the application must be accompanied by a filing fee, as provided by Rule 25-30.020(2)(d), F.A.C. The Commission's Rules can be found on the Department of State's website at:

https://www.flrules.org/gateway/ChapterHome.asp?Chapter=25-30

If a utility fails to register with the FPSC within the prescribed time, the FPSC requires that utility to apply for an original certificate of authorization in accordance with Chapter 367, F.S.,

Mr. Chet Carter Page 2 July 11, 2024

which is a more rigorous and expensive application. Therefore, it is important for you to take advantage of your right to file a grandfather certificate application on or before Wednesday, August 14, 2024. An application form and model tariff may be downloaded from the Commission's website at:

https://www.floridapsc.com/application-tariff-forms

The application and filing fee should be mailed to:

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

In addition, regardless of whether you have filed an application, or whether or not the application has been approved, your utility has been subject to FPSC regulation since May 16, 2024. Therefore, you will be required to file an annual report for 2024 pursuant to Rule 25- 30.110, F.A.C., and remit 4.5% of your gross utility revenues to the Commission as regulatory assessment fees (RAFs), effective the date a certificate is issued pursuant to Rule 25-30.120, F.A.C. If you are not collecting RAFs for payment to the County, or if you are collecting less than 4.5% of your gross revenues, you are entitled to file for a pass through of RAFs. If you have any questions or need any assistance completing the application, please contact Mrs. Melinda Watts at (850) 413-6952 or mwatts@psc.state.fl.us. If you have any questions about annual reports or RAFs, please contact Amber Norris at (850) 413-6984 or amnorris@psc.state.fl.us.

Sincerely,

s | Laura King

Laura King Assistant Director Division of Engineering

MW:da Enclosure

cc: Office of the Commission Clerk (Docket No. 20240089-WS)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Resolution of the Board of County Commissioners of Columbia County declaring Columbia County subject of the provisions of Section 367, F.S. DOCKET NO. 20240089-WS ORDER NO. PSC-2024-0222-FOF-WS ISSUED: July 1, 2024

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman ART GRAHAM GARY F. CLARK ANDREW GILES FAY GABRIELLA PASSIDOMO

ORDER ACKNOWLEDGING RESOLUTION

BY THE COMMISSION:

Background

On May 16, 2024, the Board of County Commissioners of Columbia County (County) adopted Resolution No. 2024R-13 (Resolution, Attachment A), transferring regulation of the privately-owned, for profit water and wastewater utilities in the County to the Florida Public Service Commission. Effective upon the adoption of the resolution, all non-exempt water and wastewater systems in the County became subject to the provisions of Chapter 367, Florida Statutes (F.S.). Therefore, the effective date of the transfer of jurisdiction is May 16, 2024. This order acknowledges that Resolution. We have jurisdiction pursuant to Section 367.171, F.S.

Decision

On May 16, 2024, the Board of County Commissioners of Columbia County passed and adopted Resolution No. 2024R-13, which transfers jurisdiction over the County's privatelyowned water and wastewater utilities to us. The Resolution contained a list of the privatelyowned water and wastewater utilities which were regulated by Columbia County on May 16, 2024. In addition, our staff has contacted the County requesting information on each utility's current rates, charges, and territory served. Since they are now subject to Chapter 367, F.S., each utility must continue to collect the rates and charges for water and wastewater service which were being collected on May 16, 2024, until changed by us.

Our staff has contacted the Florida Department of Environment Protection (DEP) to advise it of the Resolution and to obtain a list of all privately-owned water and wastewater facilities in Columbia County which DEP monitors for environmental compliance. The utilities

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identified by the County and DEP will receive a letter from our staff advising them of the transfer of jurisdiction and providing them with information to determine whether or not they are exempt from our regulation pursuant to Section 367.022, F.S.

Entities which are not exempt from our regulation will receive instructions 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 2024, pursuant to Rule 25-30.110, Florida Administrative Code, as well as their responsibility to remit Annual Regulatory Assessment Fees (RAFs). 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 us.

We acknowledge Resolution No. 2024R-13 by the County Commissioners of Columbia County, effective May 16, 2024. All non-exempt, privately-owned water and wastewater utilities in Columbia County shall be directed to comply with the provisions of Chapter 367, F.S.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that we acknowledge Resolution No. 2024R-13 by the County Commissioners of Columbia County, effective May 16, 2024. All non-exempt, privately-owned water and wastewater utilities in Columbia County shall be directed to comply with the provisions of Chapter 367, F.S. It is further

ORDERED that this docket shall remain open to process letters to water and wastewater operators and their subsequent responses. Upon our staff's verification that the final response from a water or wastewater system operator affirming exemption status has been received, and that no further action is necessary, this docket shall be closed administratively.

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By ORDER of the Florida Public Service Commission this <u>1st</u> day of <u>July</u>, <u>2024</u>.

/s/ Adam J. Teitzman ADAM J. TEITZMAN Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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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.

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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/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.

COLUMBIA COUNTY, FLORIDA Office of the County Attorney

Joel F. Foreman County Attorney

MEMORANDUM

To: Board Agenda, May 16, 2024

From: Joel F. Foreman

Re: Transfer of jurisdiction for the regulation of Private Water and Wastewater Utilities to the Florida Public Service Commission

Date: May 10, 2024

In recent months the Board has received numerous complaints relating to water utility rates and collections practices, and staff has recommended returning regulation of these utilities to the Florida Public Service Commission ("PSC") which is better equipped to police and enforce these issues.

The County Manager has been contacted by Bart Fletcher with the Office of Public Counsel. Mr. Fletcher was contacted by a constituent who is having issues with their private utility provider, and through his investigation Mr. Fletcher has inquired about the county's regulation of that utility. Mr. Fletcher has pointed out that utilities regulated by the PSC can be easily reviewed because of the information the PSC requires these utilities to produce and the PSC's publication of that information to its website. The County does not provide this level of transparency. Because of that Mr. Fletcher has been required to make records requests directly to the County Manager's office, often with mixed results.

Florida Statutes section 367.171 provides that any county may transfer regulatory jurisdiction over private utilities to the PSC by the adoption of a simple resolution indicating the county commission's desire to transfer. Once a transfer is completed through this process, it cannot be rescinded for ten years.

Given recent challenges with private utility regulation, it is recommended that the Board adopt the attached resolution, which was modelled after one adopted by Charlotte County in February of 2023. If adopted, staff will coordinate with PSC for the timely handoff of jurisdiction. Each private utility will be required to register with PSC within thirty days, and the County will have no further regulatory authority.

Recommended motion: To adopt Resolution 2024R-13

COLUMBIA COUNTY BOARD OF COUNTY COMMISSIONERS

RESOLUTION NO. 2024R-13

A RESOLUTION BY THE COLUMBIA COUNTY, FLORIDA BOARD OF COUNTY COMMISSIONERS, RELATING TO REGULATION OF PRIVATE WATER AND WASTEWATER SYSTEM UTILITIES; MADE PURSUANT TO FLORIDA STATUTES SECTION 367.171; DECLARING COLUMBIA COUNTY SUBJECT TO THE PROVISIONS OF CHAPTER 367, FLORIDA STATUTES; TRANSFERRING REGULATION OF PRIVATE WATER AND WASTEWATER UTILITIES AND RATES TO THE FLORIDA PUBLIC SERVICE COMMISSION; PROVIDING FOR MAILING A CERTIFIED COPY HEREOF; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Columbia County Board of County Commissioners presently regulates certain private water and wastewater system utilities pursuant to its authority as a charter county and Chapter 367, Florida Statutes, the "Water and Wastewater System Regulatory Law";

WHEREAS, the Columbia County Board of County Commissioners has determined that it is in the best interest of the citizens and residents of Columbia County that private, for-profit water and wastewater systems within Columbia County be regulated by the Florida Public Service Commission ("PSC"), which has jurisdiction and adequate staff to timely analyze utility system rates and enforce the same;

WHEREAS, the Columbia County Board of County Commissioners now desires to transfer the regulation of all private utilities in Columbia County to the PSC, pursuant to Section 367.171(1), Florida Statutes, and thereby make the provisions of Chapter 367 effective in Columbia County, Florida.

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Columbia County, Florida:

1. Columbia County, Florida, is hereby subject to the provisions of Chapter 367, Florida Statutes, the "Water and Wastewater Regulatory Law," effective immediately, and all nonexempted water and sewer systems in the County that meet the definition of "utility" as defined by Section 367.021, Florida Statutes, are hereby subject to the jurisdiction and regulatory authority of the Florida Public Service Commission.

2. As a matter of law, sections 118-221 through 118-249 of the Columbia County Code of Ordinances are preempted, and shall be of no further force or effect except to the extent they are necessary to the Florida Public Service Commission for the orderly transfer of jurisdiction to that agency.

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July adopted in regular session this // day of May, 2024.

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