State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: April 21, 2005

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Division of Economic Regulation (Rieger)

Office of the General Counsel (Rodan)

RE: Docket No. 050123-WS – Application for "quick take" amendment of Certificate

Nos. 455-W and 389-S in Flagler County by Plantation Bay Utility Company.

AGENDA: 05/03/05 – Regular Agenda – Interested Persons May Participate

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECR\WP\050123.RCM.DOC

Case Background

Plantation Bay Utility Company (Plantation Bay or utility) is a Class B water and wastewater utility located in Flagler and Volusia Counties. According to its 2004 annual report, Plantation Bay serves 1,251 water connections and 1,210 wastewater connections with combined annual operating revenues of \$571,158, and a net income of (\$35,297).

On February 17, 2005, the utility filed an initial application for a "Quick Take" amendment to Water Certificate No. 455-W and Wastewater Certificate No. 389-S in Flagler and Volusia Counties, Florida, pursuant to Rule 25-30.036(2), Florida Administrative Code. The utility's completed application was filed on March 9, 2005. The Commission has jurisdiction pursuant to Section 367.045, Florida Statutes.

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Discussion of Issues

<u>Issue 1</u>: Should the Commission acknowledge Plantation Bay's "Quick Take" application to amend Certificate Nos. 455-W and 389-S?

Recommendation: Yes, the Commission should acknowledge Plantation Bay's amendment application to expand its territory. The proposed territory amendment is described in Attachment A. Plantation Bay should charge the customer in the added territory the rates and charges contained in its tariff until it is authorized by the Commission to change them in a subsequent proceeding. (RIEGER)

<u>Staff Analysis</u>: On February 17, 2005, the utility filed an initial application for a "Quick Take" amendment to Water Certificate No. 455-W and Wastewater Certificate No. 389-S in Flagler and Volusia Counties, Florida, pursuant to Rule 25-30.036(2), Florida Administrative Code. The utility's completed application was filed on March 9, 2005. The application is the result of a Flagler County notice to the utility's parent company indicating that according to the Development of Regional Impact Development Order, utility connections to a proposed community park were now necessary. Consisting of approximately twenty acres, the proposed amended territory will encompass a recreation park with tennis and basketball courts, baseball fields, walking trails, and a community center. The proposed area is adjacent to the utility's existing service territory.

The application is in compliance with the governing statute, Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for amendment of certificate. With a permitted capacity of .750 MGD, Plantation Bay's water supply facility is made up of four wells with aeration, sand filtration, and lime softening employed for treatment purposes. The wastewater treatment facility has a permitted treatment capacity of .475 MGD. It is an extended air secondary treatment plant with effluent disposal sent to percolation ponds and reuse.

The utility has provided verification that it owns the land upon which its treatment facilities are located. Adequate service territory maps and a territory description have also been provided. A description of the proposed amendment territory is appended to this recommendation as Attachment A. In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. No objections to the application have been received and the time for filing such has expired.

The "Quick Take" amendment is designed to provide water and/or wastewater service quickly for areas that serve less than 25 ERCs. Typically, a well or septic tank fails or service is otherwise not available and service is needed as soon as possible. The request for service territory expansion and amendment of existing certificates is considered approved when the utility complies with Rule 25-30.036(2), Florida Administrative Code, and if no protest is timely filed to the notice of application. The utility states that the new territory will not exceed a maximum of 25 ERCs and that no other utility in the area is willing and/or capable of providing reasonably adequate service to the territory.

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Staff has contacted the Department of Environmental Protection (DEP) and learned that there are no outstanding notices of violation issued for the Plantation Bay wastewater treatment facility. However, for the water treatment facility there is enforcement activity due to an outstanding consent order concerning disinfection byproducts. DEP reports that the utility is working towards compliance. Therefore, staff believes that this compliance problem will be resolved without Commission involvement. The utility intends to install all water and wastewater system improvements that are necessary to accommodate the needs of the proposed amended area. Staff recommends that the rates and charges approved by the Commission for the Plantation Bay service area should be applied to the customer in the new service territory. The utility has filed revised tariff sheets incorporating the additional territory into its tariff and returned its certificate for entry reflecting the additional territory.

Based on the above information, staff believes it is in the public interest to acknowledge the "Quick Take" amendment application filed by Plantation Bay to add the additional territory described in Attachment A.

<u>Issue 2</u>: Should this docket be closed?

Recommendation: Yes, no further action is required and the docket should be closed. (RODAN)

Staff Analysis: No further action is required and the docket should be closed.

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Attachment A

PLANTATION BAY UTILITY COMPANY EXTENTION OF SERVICE TERRITORY

Township 13 South, Range 31 East, Flagler County, Florida

Section 4: A portion of Lot 4, Block D, Section 4, Township 13 South, Range 31 East, Bunnell Development Company Subdivision, as recorded in Map Book 1, Page 1, Public Records of Flagler County, Florida, described as follows:

From the Southeast Corner of said Section 4; run South 89 12' 37" West along the South line of said Section 4, a distance of 1,324.71 feet; thence departing said line, run North 02 06' 36" West along the East line of Lot 9, Block D and Lot 4, Block D a distance of 1,628.22 feet to the POINT OF BEGINNING; thence departing said line; run South 89 30' 43" West a distance of 666.56 feet; thence North 02 15' 17" West along the West line of said Lot 4, Block D, a distance of 653.01 feet to the South right-of-way line of Old Dixie Highway, a 66-foot right-of-way; thence North 89 30' 43" East along said right-of-way line a distance of 668.21 feet; thence departing said right-of-way line; run South 02 06' 36" East along the East line of said Lot 4, Block D a distance of 652.96 feet to the POINT OF BEGINNING. Containing 10.0 acres.

Township 13 South, Range 31 East, Flagler County, Florida

Section 4: A portion of Lot 4, Block D, Section 4, Township 13 South, Range 31 East, Bunnell Development Company Subdivision, as recorded in Map Book 1, Page 1, Public Records of Flagler County, Florida, described as follows:

From the Southeast Corner of said Section 4; run South 89 12' 37" West along the South line of said Section 4, a distance of 1,324.71 feet; thence departing said line, run North 02 06' 36" West along the East line of Lot 9, Block D, a distance of 994.19 feet to the POINT OF BEGINNING; thence continue North 02 06' 36" West along the East line of Lot 4, Block D, a distance of a distance of 634.03 feet; thence departing said line; run South 89 30' 43" West, a distance of 666.56 feet to the West line of said Lot 4, Block D; thence South 02 15' 17" East along said line a distance of 633.9 feet; thence departing said line; run North 89 31' 09" East along the South line of said Lot 4, Block D, a distance of 664.96 feet to the POINT OF BEGINNING. Containing 9.60 acres.