

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: November 21, 2006

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

FROM: Division of Economic Regulation (Daniel, Walden)
Office of the General Counsel (Helton)

RE: Docket No. 020907-WS – Application for amendment of Certificate Nos. 496-W and 465-S to extend water and wastewater service areas in Lake County by Lake Utility Services, Inc.
County(ies): Lake

AGENDA: 12/05/06 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: Deason

PREHEARING OFFICER: Deason

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECR\WP\020907A.RCM.DOC

Case Background

Lake Utility Services, Inc. (LUSI) is a Class A utility owned by Utilities, Inc. For the calendar year 2005, the utility served 7,908 water customers and 2,748 wastewater customers. The 2005 annual report on file with this Commission lists operating revenues of \$3,251,332, with a net operating income of \$442,850.

The utility filed an application on August 20, 2002, to amend its water and wastewater certificates, pursuant to Section 367.045, Florida Statutes, and Rule 25-30.036, Florida Administrative Code. The Commission issued Order No. PSC-05-0523-FOF-WS, granting additional territory to the utility. A review of the territory recommended by staff and approved

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by the Commission shows that when the territory description was presented by the utility that redescribed the utility's entire service area, a clear distinction was not made between the water and the wastewater service areas. Those service areas are not identical.

The purpose of this recommendation is to reopen this docket and correctly describe the wastewater service area for this utility. There are no corrections to the water service area.

Discussion of Issues

ISSUE 1: Should the territory description in Order No. PSC-05-0523-FOF-WS be restated to accurately reflect the wastewater territory granted to Lake Utility Services, Inc.?

RECOMMENDATION: Yes. The territory description in Order No. PSC-05-0523-FOF-WS should be restated, and the description in Attachment A should be used to accurately reflect the wastewater territory granted to Lake Utility Services, Inc. The Order should serve as Lake Utility Services, Inc.'s amended certificate and it should be retained by the utility. (Walden)

STAFF ANALYSIS: The application in this docket had numerous protests to the original notice for amendment of certificates. To resolve the protests, the utility pared down the size of the additional territory requested, and the protests were withdrawn. Once the protests were withdrawn, a revised territory description was filed with the Commission by the utility.

The territory description provided to the staff to resolve the protests was a description of the entire service territory and included the territory already certificated to the utility, as well as the amendment request in this docket. Staff used this territory description in its recommendation to the Commission for the May 3, 2005 agenda. The territory contained in Order No. PSC-05-0523-FOF-WS is correct for the water service area for LUSI, but is not correct for the wastewater service area because more wastewater territory was given to the utility than it requested. The wastewater service area amendment should have been the territory described in Attachment A to this recommendation. The utility is aware of the error, and is in agreement with this corrected territory description for the amended wastewater service area.

Staff therefore recommends that Docket No. 020709-WS be reopened, and the territory description be restated to accurately reflect the wastewater territory granted to Lake Utility Services, Inc. in that docket. The correct wastewater service area description is Attachment A to this recommendation. This description is for the amended wastewater service territory, which is in addition to the territory formerly granted to LUSI (and its Lake Groves system)¹. The Order should serve as Lake Utility Services, Inc.'s amended certificate and it should be retained by the utility.

ISSUE 2: Should the docket be closed?

RECOMMENDATION: Yes, the docket should be closed. (Helton)

STAFF ANALYSIS: Since the territory being granted has already been noticed, and the protests have been withdrawn, the docket can be closed.

¹ See Docket No. 020695-WS, Order No. PSC-02-1658-FOF-WS, Application for name change on Certificate No. 465-S in Lake County from Lake Groves Utilities, Inc. to Lake Utility Services, Inc., holder of Certificate No. 496-W, pursuant to merger of Lake Groves with Lake Utility, and request for cancellation of Certificate No. 534-W held by Lake Groves.

AMENDED DESCRIPTION OF THE WASTEWATER SERVICE TERRITORY TO BE
ADDED TO LAKE UTILITY SERVICES, INC. IN LAKE COUNTY

Sections 28, 29, 32 and 33 of Township 23 South, Range 26 East, Lake County, Florida; and,

Sections 2 and 5 of Township 24 South, Range 26 East, Lake County, Florida; and,

Section 3 of Township 24 South, Range 26 East, Lake County, Florida, less the SW quarter of the NW quarter of Section 3; also less the north half of the NW quarter of the SW quarter of Section 3; also less that part of the SW quarter of the SW quarter of Section 3 lying south and west of the westerly line of the right of way of U. S. Highway No. 27; and

That part of A) the SE quarter of the NE quarter of the SE quarter, and B) the SE quarter of the SE quarter of Section 4, Township 24 South, Range 26 East, lying east of the west line of the right of way of U. S. Highway 27; and that part of Section 4 described as: Begin at the NE corner of Section 4, thence south along the east boundary line of Section 4, a distance of 240 feet, thence west 195 feet, thence northwesterly 404 feet, more or less, to a point on the north boundary of Section 4, a distance of 520 feet from the NE corner of Section 4, thence east to the Point of Beginning. And,

The NE quarter of the NE quarter of the NW quarter of Section 8, Township 24 South, Range 26 East, Lake County, Florida; and

The north half of Section 11, Township 24 South, Range 26 East, Lake County, Florida; and

The NE quarter of the NE quarter; and the south half of the NE quarter, all in Section 10, Township 24 South, Range 26 East, Lake County, Florida; and

The east three-quarters of the south half of Section 14, Township 24 South, Range 26 East, Lake County, Florida; and

That part of the north half of Section 23, Township 24 South, Range 26 East, being described as follows: Begin at the NE corner of the NE quarter of said Section 23; thence west along the north line of Section 23 a distance of 3960 feet; thence south along the west line of the NE quarter of the NW quarter of Section 23 for 1320 feet; thence west along the north line of the SW quarter of the NW quarter of Section 23 for 660 feet; thence south along the west line of the north half of the NE quarter of the SW quarter of the NW quarter of Section 23 for 330 feet; thence west along the south line of the north half of the NW quarter of the SW quarter of the NW quarter of Section 23 for 297.83 feet; thence north for 117.29 feet; thence west for 273.61 feet to the east right of way of U. S. Highway No. 27; thence southeasterly along the said right of way to a point lying on the northerly limits of Citrus Highland P.U.D.; thence along said boundary the following eight courses: N 43°43'13" E for 131.29 feet; thence N 54° 20'35" E for 861.17 feet;

thence N 01°59'06" W for 311.09 feet; thence N 87°44'54" E for 1324.39 feet; thence N 01° 58'58" W for 438.07 feet; thence N 87°43'40" E for 100 feet; thence S 01°58'58" E for 116.93 feet; thence N 87°43'40 E for 2523.01 feet to the east line of the NE quarter of Section 23; thence departing said north boundary of Citrus Highlands P.U.D., run north along the east line of the NE quarter of Section 23 for 1437 feet to the NE corner of Section 23 and the Point of Beginning; and,

Sections 25, 26, 27, 34, 35, and 36, Township 23 South, Range 26 East, Lake County, and

Sections 1, 12, 13, and 24 Township 24 South, Range 26 East, Lake County, Florida; and,

The east half of the SE quarter and the south three-quarters of the east half of the west half of the SE quarter of Section 23, Township 24 South, Range 26 East, Lake County, Florida; and,

Sections 30 and 31, Township 23 South, Range 26 East, Lake County, Florida; and,

All that part and parcel of the south half of Section 15, Township 24 South, Range 26 East, as follows: Beginning at the intersection of the south line of said Section 15 and the west right of way of U.S. Highway No. 27, run thence west 1737 feet to a point approximately 75 feet west of the low water mark of a boggy marsh; begin again at the aforesaid point of beginning and run N 19°48' W along the right of way line of said U.S. Highway No. 27, 2081.5 feet; thence N 89°48' W, 790 feet to a point approximately 75 feet west of the low water mark of said boggy marsh; thence in a southerly direction parallel to the shoreline of said boggy marsh and approximately 75 feet west of low water mark thereof, to intersect the first described line.

FLORIDA PUBLIC SERVICE COMMISSION

Authorizes

Lake Utility Services, Inc.
Pursuant to
Certificate Number 465-S

to provide wastewater service in Lake 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, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
24283	03-25-1991	900957-WS	Original Certificate
PSC-92-1328-FOF-WS	11-16-1992	920900-WS	Amendment
PSC-94-0116-FOF-WS	01-31-1994	931000-WS	Amendment
PSC-99-0164-FOF-WS	01-26-1999	980958-WS	Trans. Maj. Org. Control
PSC-99-0884-FOF-WS	05-03-1999	990195-WS	Amendment
PSC-00-1657-FOF-WS	09-18-2000	000430-WS	Amendment
PSC-01-0066-FOF-WS	01-09-2001	001652-WS	Territory correction
PSC-02-1658-FOF-WS	11-26-2002	020695-WS	Merger and name change
PSC-05-0523-FOF-WS	05-13-2005	020907-WS	Amendment
*	*	020907-WS	Territory correction

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