

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-

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**DATE:** April 10, 2008

**TO:** Office of Commission Clerk (Cole)

**FROM:** Division of Economic Regulation (Walden)  
Office of the General Counsel (Young)

**RE:** Docket No. 080031-WS – Application for amendment of Certificate Nos. 340-W and 297-S to add territory in Pasco County by Mad Hatter Utility, Inc.  
County(ies): Pasco

**AGENDA:** 04/22/08 – Regular Agenda – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Argenziano

**CRITICAL DATES:** None

**SPECIAL INSTRUCTIONS:** None

**FILE NAME AND LOCATION:** S:\PSC\ECR\WP\080031.RCM.DOC

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### Case Background

Mad Hatter Utility Inc. (Mad Hatter or utility), is a Class A utility providing water and wastewater service in Pasco County. Water and wastewater rates were last established for this utility by Order No. PSC-93-0295-FOF-WS,<sup>1</sup> issued February 24, 1993. On January 8, 2008, the utility applied for an amendment to Certificate Nos. 340-W and 297-S in Pasco County, Florida, pursuant to Rule 25-30.036(2), Florida Administrative Code (F.A.C.).

The application involves a “quick-take” amendment to include a single commercial property, an auto body shop, whose well is experiencing water quality problems. The

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<sup>1</sup> In Docket No. 910637-WS, In re: Application for a rate increase in Pasco County by Mad Hatter Utility, Inc.

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amendment filing also requests inclusion of this property in the utility's wastewater certificated area.

The system in this application is located in the Southwest Florida Water Management District (SWFWMD). The Commission has jurisdiction pursuant to Section 367.045, Florida Statutes (F.S.).

### **Discussion of Issues**

**Issue 1:** Should the Commission approve the application to amend Certificate Nos. 340-W and 297-S filed by Mad Hatter Utility, Inc.?

**Recommendation:** Yes, the Commission should approve the application to expand the territory of Mad Hatter Utility, Inc., and amend Certificate Nos. 340-W and 297-S. The territory amendment is described in Attachment A. The resultant order should serve as Mad Hatter Utility, Inc.'s amended certificates and the order should be retained by the utility. Mad Hatter Utility, Inc. should charge the customer in the added territory the rates and charges contained in its tariff until authorized to change by this Commission in a subsequent proceeding. (Walden)

**Staff Analysis:** On January 8, 2008, Mad Hatter applied for an amendment to Certificate Nos. 340-W and 297-S in Pasco County, Florida, pursuant to Rule 25-30.036(2), F.A.C. The parcel requested to be included in the certificated areas for water and wastewater is a commercial building, now occupied by an auto body shop. The well on the building's site is experiencing water quality problems and the property owner, Mr. Joseph Izzo, is desirous of receiving potable water from Mad Hatter. The expected demand to be placed on the system will not exceed two ERCs. While the property does not immediately need wastewater service (the establishment is currently on a septic tank), Mr. Izzo has requested that the property also be included in the utility wastewater territory so that when wastewater service is needed, a connection to the utility's wastewater system can be accomplished.

The application is in compliance with the governing statute, Section 367.045, F.S., and other pertinent statutes and administrative rules concerning an application for amendment of certificate. The utility provides water service from its wells and purchases bulk wastewater treatment from Pasco County.

Adequate service territory maps and a territory description have been provided as prescribed by Rule 25-30.036(3)(e) and (i), F.A.C. A description of the territory requested by the utility is appended to this recommendation as Attachment A. 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. In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, F.A.C. No objections to the application have been received and the time for filing such has expired. The local planning agency was provided notice of the application and did not file a protest to the amendment.

Staff recommends that the rates and charges approved by the Commission for Mad Hatter's service area be applied to this customer in the new service territory. The utility has filed revised tariff sheets incorporating the additional water and wastewater territory into its tariff.

Based on the above information, staff recommends that the Commission approve Mad Hatter's application to expand its territory and amend Certificate Nos. 340-W and 297-S. The territory amendment is described in Attachment A. The resultant order should serve as Mad Hatter's amended certificates and the order should be retained by the utility. Mad Hatter should charge the customers in the added territory the rates and charges contained in its tariff until authorized to change by this Commission in a subsequent proceeding.

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**Issue 2**: Should this docket be closed?

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

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

MAD HATTER UTILITY, INC  
Description of Territory Served  
Water and Wastewater Service Territory  
Pasco County

A portion of Section 36, Township 26 South, Range 18 East, Pasco County:

Being that portion of the Northeast 1/4 of the Southwest 1/4 of the Northwest 1/4 of Section 36, Township 26 South, Range 18 East, Pasco County, Florida; lying East of U.S. Highway 41 (State Road No. 45) being more fully described as follows:

Commence at the Northeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 36; thence S 0°52'44" W, along the East line of the Southwest 1/4 of the Northwest 1/4 of Section 36, for a distance of 49.82 feet to the Point of Beginning; thence continue S 0°52'51" W, along the said East line, for a distance of 135.0 feet; thence N 89°13'40" W, for a distance of 229.32 feet; thence S 0°52'51" W, for a distance of 9.93 feet; thence N 89°13'40" W, for a distance of 100.0 feet to a point on the Easterly right of way line of U.S. Highway 41; thence N 14°19'48" W, along the said Easterly right of way line, for a distance of 150.0 feet; thence S 89°13'41" E, for a distance of 184.71 feet; thence N 0°31'23" E, for a distance of 11.94 feet; thence S 89°10'16" E, for a distance of 35.06 feet; thence S 0°29'48" W, for a distance of 11.80 feet; thence S 89°13'39" E, for a distance of 148.90 feet to the Point of Beginning.

Less the following described property, more or less taken by the Department of Transportation, State of Florida, for additional right of way for State Road 45. That part of the Southwest 1/4 of the Northwest 1/4 of Section 36, Township 26 South, Range 18 East, Pasco County, Florida, being described as follows:

Commence at a 4" concrete monument being the Northeast corner of the Southwest 1/4 of the Northwest 1/4 of Section 36, Township 26 South, Range 18 East, Pasco County, Florida; thence S 0°27'26" W, along the East line of said Southwest 1/4 of the Northwest 1/4 of said Section 36 for 184.82 feet; thence N 89°38'23" W, parallel with the North line of said Southwest 1/4 of the Northwest 1/4 of Section 36 for 229.32 feet; thence S 0°27'26" W, for 9.93 feet; thence N 89°38'23" W for 103.58 feet to the Point of Beginning and a point on the existing Easterly right of way line of State Road 45 (U.S. Highway 41), said point being the point of intersection with a non-tangent curve, concave Easterly, having a radius of 5679.58 feet and a central angle of 01°30'30"; thence Northerly along said Easterly right of way line and along the arc of said curve to the right for 149.52 feet, said arc subtended by a chord which bears N 13°51'42" W for 149.51 feet to the point of intersection with a non-tangent line; thence S 89°38'23" E, parallel with said North line of the Southwest 1/4 of the Northwest 1/4 of Section 36, a distance of 63.85 feet to a point of intersection with a non-tangent curve, concave Easterly, having a radius of 6822.50 feet and a central angle of 01°15'03"; thence Southwesterly along the arc of said curve to the left for 148.95 feet, said

arc subtended by a chord which bears S 12°58'59" E for 148.95 feet to the point of intersection with a non-tangent line; thence N 89°38'23" W, for 61.49 feet to the Point of Beginning.

**FLORIDA PUBLIC SERVICE COMMISSION**  
**authorizes**

**Mad Hatter Utility, Inc.**  
**pursuant to**  
**Certificate Number 340-W**

to provide water service in Pasco 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>
10325	10/7/81	800530-WS	Transfer
13552	07/31/84	840199-WS	Amendment
14058	02/05/85	840171-WS	Transfer
15693	02/18/86	860016-WS	Amendment
16976	12/18/86	860859-WS	Amendment
20143	10/10/88	880737-WS	Transfer
PSC-97-0378-FOF-WS	04/07/97	960576-WS	Amendment
PSC-97-1173-FOF-WS	10/01/97	960576-WS	Amendment
PSC-98-0447-FOF-WS	03/30/98	971362-WU	Amendment
PSC-97-1173A-FOF-WS	05/07/98	960576-WS	Correction
PSC-03-0243-FOF-WS	02/20/03	020982-WS	Amendment/deletion
PSC-07-0669-SC-WS	08/20/07	021215-WS	Amendment
PSC-07-0669-SC-WS	08/20/07	041342-WU	Amendment
*		080031-WS	Amendment

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

**FLORIDA PUBLIC SERVICE COMMISSION**

**authorizes**

**Mad Hatter Utility, Inc.  
pursuant to  
Certificate Number 297-S**

to provide wastewater service in Pasco 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>
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16976	12/18/86	860859-WS	Amendment
18814	02/08/88	870618-SU	Amendment
20143	10/10/88	880737-WS	Transfer
PSC-97-0378-FOF-WS	04/07/97	960576-WS	Amendment
PSC-97-1173-FOF-WS	10/01/97	960576-WS	Amendment
PSC-97-1173A-FOF-WS	05/07/98	960576-WS	Correction
PSC-03-0243-FOF-WS	02/20/03	020982-WS	Amendment/deletion
PSC-07-0669-SC-WS	08/20/07	021215-WS	Amendment
*		080031-WS	Amendment

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