BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for exemption from Florida Public Service Commission regulation for provision of water service in Highlands County by Lake Lynn Shores Utilities.) DOCKET NO. 930598-WU) ORDER NO. PSC-93-1135-FOF-WU) ISSUED: August 4, 1993

ORDER ACKNOWLEDGING EXEMPTION FROM REGULATION, AND CLOSING DOCKET

BY THE COMMISSION:

On June 18, 1993, Lake Lynn Shores Utilities (Lake Lynn) filed an application for exemption from our regulation pursuant to Section 367.022(12), Florida Statutes, as a non-jurisdictional entity. Lake Lynn is a residential community consisting of 12 lots, located in Highlands County, Florida. Lake Lynn formed an association in order to draft a Water Use and Maintenance Agreement governing its water system. Approximately one year ago, it was discovered that the private wells of three homes in Lake Lynn were contaminated with nitrates and pesticides. The level of nitrates has become so great so that the water currently poses serious health threats.

The Department of Environmental Protection (DEP), through the latest legislative session, has been tasked with identifying the critical areas with potable water problems. Under Section 376.30(3)(c), Florida Statutes, DEP is authorized to expend funds to provide "restoration or replacement of potable water systems or potable private wells of affected persons where health hazards exist due to contamination from pollutants.... " DEP has identified Lake Lynn as an area eligible for a new deep well to create a small utility to provide potable water for 30 people or fewer, with a maximum of 12 connections.

The Water Use and Maintenance Agreement filed with the application requires that the customers pay a fee of \$10.00 per month per homeowner for the maintenance and repair of the well. Since the association is receiving compensation for providing the water service, it does not comply with Section 367.021(12), Florida Statutes. However, we find that this applicant qualifies for an exemption from our regulation pursuant to Section 367.022(6), F.S. and Rule 25-30.055, Florida Administrative Code, the small system exemption.

DOCUMENT NUMBER-DATE

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Lake Lynn received Water Use Permit No. 2010926.00 dated May 28, 1993, from the Southwest Florida Water Management District. This permit was submitted as part of the application to verify the capacity of the water system. The Water Use Permit authorizes the average water quantity of 4,500 gallons per day (gpd) with a peak monthly flow of 9,000 gpd for Lake Lynn. This amount is within the capacity limitations as set forth in Rule 25-30.055, F.A.C. for a small system exemption pursuant to Section 367.022(6), F.S.

The community of Lake Lynn Shores is isolated. The nearest public water service system is 2 miles away, while there are no other subdivisions within 2 miles. The treatment plant's physical address is located at 9001 Lake Lynn Drive, Sebring, Florida 33870, with the same mailing address. The name of the contact person is Charles L. Filler, Jr. The applicant acknowledged Section 837.06, F.S., regarding making false statements within the application.

Based upon the information as represented herein, we find that Lake Lynn is exempt from the regulation of this Commission pursuant to Section 367.022(6), Florida Statutes, as a small system. However, should there be any change in circumstances or method of operation, Lake Lynn, or its successor(s) in interest, shall inform this Commission within 30 days of such change in circumstances so that we may reevaluate its exempt status.

It is therefore,

ORDERED by the Florida Public Service Commission that Lake Lynn Shores Utilities, located at 9001 Lake Lynn Drive, Sebring, Florida 33870, with Mr. Charles L. Filler, Jr. as contact person, is exempt from regulation of this Commission under Section 367.022(6), Florida Statutes, as a small system. It is further

ORDERED that, should there be any change in circumstances or method of operation, Lake Lynn Shores Utilities shall inform this Commission within 30 days of such change so that we may reevaluate its regulatory status. It is further

ORDERED that this docket is closed.

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By ORDER of the Florida Public Service Commission this <u>4th</u> day of <u>August</u>, <u>1993</u>.

STEVE TRIBBLE, Director

Division of Records and Reporting

(SEAL)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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 Director, Division of Records and Reporting 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 or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting 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 Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.