BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for cancellation) DOCKET NO. 950008-WS of Certificates Nos. 400-W and) ORDER NO. PSC-95-0552-FOF-WS 338-S and request for exemption ; ISSUED: May 8, 1995 (Commission for provision of) water and wastewater service in) Marion County by SATEKE (UTILITIES, INC.

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman J. TERRY DEASON JOE GARCIA JULIA L. JOHNSON DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION ORDER DENYING EXEMPTION

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

Sateke Utilities, Inc., (utility) is a class C water and wastewater utility providing service to thirty-three customers in Marion County. The utility's 1993 annual report shows that its consolidated annual operating revenue is \$18,132 and its net operating loss is \$12,468.

By Order No. 11784, issued April 4, 1983, this Commission granted the utility Water Certificate No. 400-W and Wastewater Certificate No. 338-S to operate a water and wastewater system covering a service area of 320 acres. Shortly after obtaining its certificates, the utility sold most of its territory to the State of Florida. Florida now operates the Rainbow River State Campground on part of Sateke's prior service area.

O4468 MAY-88

ORDER NO. PSC-95-0552-FOF-WS DOCKET NO. 950008-WS PAGE 2

APPLICATION

On January 3, 1995, pursuant to Section 367.022(6), Florida Statutes, Mr. Terry Roberts, the utility manager, filed an application for a small system exemption for its water and wastewater system. Rule 25-30.055(1), Florida Administrative Code, states, in part, "A water or wastewater system is exempt under Section 367.022(6), Florida Statutes, if its current or proposed water or sewage treatment facilities and distribution or collection system have and will have a capacity excluding fire flow capacity, of no greater than 10,000 gallons per day or if the entire system is designed to serve no greater than 40 equivalent residential connections (ERCs)."

The utility states that its approved water system capacity is 10,000 gallons per day (gpd). However, the utility's water permit, issued by the Department of Environmental Protection (DEP), shows that its water meter at the well frequently delivers 30,000 gpd. The utility's water distribution system presently serves thirty-three homes along with 13 vacant lots in the same subdivision. The utility further states that it serves Sateke Village, a retirement development with about 60 residents.

The utility also states its approved wastewater system capacity is 10,000 gpd. The utility's wastewater permit indicated its existing plant capacity had been reduced from 20,000 gpd to 10,000 gpd. After contacting the DEP and the utility, we learned that the utility had not given DEP its proposed revised permit. Therefore, while the utility plans to file a proposed revised operating permit of 10,000 gpd, its current approved system capacity is 20,000 gpd. The utility's wastewater treatment system and its water treatment system serve the same number of customers. Pursuant to Section 367.022(6), Florida Statutes, we hereby deny the utility's small system exemption request because its water and wastewater system capacity exceeds the statutory requirements. If we do not receive a timely protest from a substantially affected person, no further action will be required, and this docket shall be closed.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Sateke Utilities, Inc.'s, Post Office Box 2135, Ocala, Florida 34478-2135, application for a small water and wastewater system exemption pursuant to Section 367.022(6), Florida Statutes is hereby denied. It is further

ORDER NO. PSC-95-0552-FOF-WS DOCKET NO. 950008-WS PAGE 3

ORDERED that the provisions of this Order are issued as proposed agency action and shall become final and effective, unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0807, by the close of business on the date set forth in the "Notice of Further Proceeding or Judicial Review" attached hereto. It is further

ORDERED that, in the event that this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 8 th day of $\underline{\text{May}}$, $\underline{1995}$.

BLANCA S. BAYO, Director

Division of Records and Reporting

(SEAL)

ELS

ORDER NO. PSC-95-0552-FOF-WS DOCKET NO. 950008-WS PAGE 4

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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on May 30, 1995.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party substantially affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater 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 of the effective date 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.