BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for certificate to provide water service in Citrus County by Eldorado Water System.

) DOCKET NO. 950511-WU) ORDER NO. PSC-95-1074-FOF-WU) ISSUED: August 29, 1995

The following Commissioners participated in the disposition of this $\mbox{\it matter:}$

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

ORDER GRANTING CERTIFICATE, REQUIRING PAYMENT OF 1995 REGULATORY
ASSESSMENT FEES AND REQUIRING FILING OF 1995 ANNUAL REPORT

AND

NOTICE OF PROPOSED AGENCY ACTION ORDER SETTING RATES AND CHARGES

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein regarding the setting of rates and charges 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

On May 2, 1995, Eldorado Water System (Eldorado or utility) filed an application for a certificate to provide water service in Citrus County. Eldorado, a Class C utility, has been providing water service since 1984, and is currently providing water service to approximately 36 residential customers in Citrus County.

According to information provided, Eldorado did not file for a certificate because there was some confusion as to its jurisdictional status due to its small size. As late as 1988, Eldorado was providing service to only 13 connections. Because of the confusion and because Eldorado has been responsive and cooperative since becoming aware that it is subject to Commission

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regulation, we have decided not to institute show cause proceedings against Eldorado for its apparent violation of Sections 367.031 and 367.081, Florida Statutes.

Application

Except as discussed previously, 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 original certificate for an existing utility currently charging for service. The application contains a check in the amount of \$250, which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code.

The applicant has provided evidence that the utility owns the land upon which the utility's facilities are located as required by Rule 25-30.034(1)(e), Florida Administrative Code.

Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.034(1)(h),(i) and (j), Florida Administrative Code. The territory which Eldorado will serve is described on Attachment A of this order, which by reference is incorporated herein.

In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code, including notice to the customers in the proposed territory. No objections to the notice of application have been received and the time for filing such has expired.

Eldorado has indicated that it has the technical and financial ability to operate the system. The utility has retained a certified operator with a Class D drinking water license. Further, Staff has contacted the Department of Environmental Protection (DEP). Based on conversations with DEP, Staff was informed that DEP only regulates utilities that serve over 25 connections and any utility serving under 25 connections is regulated by the Department of Health and Rehabilitative Services. When the utility was constructed in 1984, DEP required the utility to follow their rules and regulations. Then later when the utility did not expand to provide service to over 25 connections, DEP no longer required it to meet their rules and regulations since it was too small. Now that DEP is aware that Eldorado is currently serving over 25 connections, DEP is currently in the process of reviewing the utility.

On July 10, 1995, DEP conducted an unannounced inspection of the utility. The inspector found the utility to be in good

condition and the water quality was found to be good. However, the inspector did discover that an additional well had been constructed without a permit from DEP. The utility is now under the regulation of DEP and will be required to conduct chemical analysis and obtain a permit for the additional well.

Regarding the financial ability of Eldorado, the owner has demonstrated that he has a debt ratio of 4%, and that he possesses the overall financial ability to operate the water facility. For the year 1994, the annual operating revenue for the system was \$6,861 and the net operating revenue was \$581. Since the system is small, it appears that the assets of the owner should be adequate to insure the continued operations of the utility.

Based on the foregoing, we find that it is in the public interest to grant Certificate No. 575-W to Eldorado. The territory which Eldorado is authorized to serve is described on Attachment A of this order.

Rates and Charges

The utility's present rates and charges are set forth below. We find these rates and charges to be reasonable, and the rates and charges are, therefore, approved.

Residential Water Service

Minimum Charge: \$8.50 per month (includes 5,000 gallons)

Gallonage Rate: \$.08 per hundred gallons over the minimum

allowed

Meter Test Deposit

<u>Fee</u>
\$20.00
\$25.00
Actual Cost

Miscellaneous Service Charges

Initial Connection Fee	\$15.00
Normal Reconnection Fee	\$15.00
Violation Reconnection Fee	\$15.00
Premises Visit Fee	\$00.00

(in lieu of disconnection)

Service Availability Charge

Plant Capacity Charge

\$575.00

The plant capacity charge of \$575 includes the tap-in, meter installation, and main extension fees. The utility has filed a tariff which reflects the above rates and charges. The effective date of the tariff shall be the stamped approval date.

Regulatory Assessment Fees and Annual Reports

Pursuant to Sections 367.145 and 367.121(1)(c), Florida Statutes, and Rules 25-30.110(3) and 25-30.120(2), Florida Administrative Code, annual reports and regulatory assessment fees are due from regulated utilities regardless of whether a certificate has been granted. Although the Commission did not become aware of Eldorado until November, 1994, the utility has been subject to this Commission's jurisdiction since 1984. Therefore, the utility shall be required to file an annual report and remit regulatory assessment fees for 1995 by March 31, 1996.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Eldorado Water System, c/o John Radake, Post Office Box 1345, Homosassa Springs, Florida 34447, is hereby granted Certificate No. 575-W to serve the territory described in Attachment A of this order. It is further

ORDERED that Eldorado Water System shall charge the rates and charges approved in the body of this order until authorized by the Commission to change such rates. It is further

ORDERED that Eldorado Water System shall file a tariff reflecting the rates and charges approved in the body of this Order. The rates and charges shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets. It is further

ORDERED that Eldorado Water System shall, by March 31, 1996, pay regulatory assessment fees for 1995 and file the 1995 annual report. It is further

ORDERED that the provisions of this order setting rates and charges, issued as proposed agency action, 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 of the Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that this docket shall be closed if no substantially affected person files a timely protest as set out above.

By ORDER of the Florida Public Service Commission, this 29th day of August, 1995.

BLANCA S. BAYÓ, Director Division of Records and Reporting

by: Kay Huye Chief, Bureau d Records

(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.

As identified in the body of this order, our action establishing rates and charges 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, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on September 19, 1995. In the absence of such a petition, this order shall become effective on the date 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 the relevant portion of this order becomes final and effective on the date described above, any party adversely 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.

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 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 after the issuance 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.

ATTACHMENT A

ELDORADO WATER SYSTEM

TERRITORY DESCRIPTION

The following described lands located in portions of Sections 2,11 and 35, Township 19 and 20 South, Range 18 East, Citrus County, Florida:

A subdivision of the W % of the E % of fract. Section 2, Township 20 South, Range 18 East and the NW % of the NE % of Section 11, Township 20 South, Range 18 East, Being more particularly described as follows; Begin at the NE corner of the W What of the E % of Fract. Section 2, Township 20 South, Range 18 East, Thence S 0° 95' 04" E along the East line of said W % of E % a distance of 2638.50 Feet to the SE corner of said W % of E %, said point also being the NE corner of the NW % of the NE % of Section 11, Township 20 South, Range 18 East, Thence S 0° 28' 19" E along the East line of said NW % of NE % a distance of 1296.11 Feet to a point on the North Right-of-way line of the Cardinal Lane, said point being 33 Feet from, measured at a right angle to, the centerline of said Cardinal Lane, Thence S 89° 27' 30" W along said Right-of-way line a distance of 1338.01 Feet to a point on the West line of said NW % of NE %, said point also being the SE corner of Lot 1 of Cardinal Acres, as Recorded in P.B.6, Page 109, Public Records of Citrus County, Florida. Thence N 0° 34' 31" W along the West line of said NW % of NE % a distance of 1295.89 Feet to the NW west line of said NW % Of NE % a distance of 1275.07 Feet to the NM corner of said NW % of NE %, said point also being the SW corner of the E % of said Fract. Section 2, Thence N 0° 04′ 49" E along the West line of said E % a distance of 568.95 Feet to a point on the East line of said Cardinal Acre, Thence N 0° 20′ 58" E along the East line of said Cardinal Acres a distance of 2078.81 Feet to a point on the North line of said Fract. Section 2, said line also being the South line of Leisure Acres Unit 3, as recorded in P.B. 5, Pages 73-74, Public Records of Citrus County, Florida, Thence N 89° 50' 18" E along said North line a distance of 504.50 Feet to the SW corner of the SE % of Section 35, Township 19 South, Range 18 East, Thence N 89° 50' 34" E along the North line of said Fract. Section 2, a distance of 810.76 Feet to the point of beginning.