BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment of Certificate Nos. 580-W and 500-S to extend service area in Marion and Sumter Counties, by Little Sumter Utility Company. DOCKET NO. 020148-WS ORDER NO. PSC-02-1097-FOF-WS ISSUED: August 9, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman J. TERRY DEASON BRAULIO L. BAEZ MICHAEL A. PALECKI RUDOLPH "RUDY" BRADLEY

ORDER APPROVING AMENDMENT OF CERTIFICATE NOS. 580-W AND 500S

BY THE COMMISSION:

Case Background

Little Sumter Utility Company (Little Sumter or utility), a Class B utility, applied for additional territory to be included in its water and wastewater certificates on February 21, 2002. Little Sumter was issued Certificate Nos. 580-W and 580-S on September 10, 1996. The utility's 2001 Annual Report indicates that there are 6561 water and 6200 wastewater connections. The annual report further shows total water and wastewater revenues of \$2,740,280 and a net loss of \$173,976.

The service area of Little Sumter is in the Southwest Florida Water Management District. The territory involved is not in a Water Use Caution Area. In the original certificate application, the utility planned to provide reuse to a golf course in the service area. A tariff sheet with a zero rate was approved in June, 2000, for this service.

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The territory requested in this application is adjacent to the existing territory of Little Sumter. An objection to the notice of amendment was received from the City of Wildwood (City) on February 25, 2002, but that objection was withdrawn on March 22, 2002, after the City held discussions with the utility.

We have jurisdiction pursuant to Section 367.045, Florida Statutes.

Decision

The utility filed its application on February 21, 2002, pursuant to Section 367.045(2), Florida Statutes, and Rule 25-30.036, Florida Administrative Code. Included with the application was a filing fee of \$2,750, pursuant to Rule 25-30.020, Florida Administrative Code. Copies of warranty deeds were provided showing ownership of the land where the water and wastewater facilities are located, as required by Rule 25-30.036(3)(d), Florida Administrative Code.

The utility states that it has the plant capacity to serve the additional connections expected to be added. Plant expansions will be made as required by increased demand. The water treatment plant has a current capacity of 12.86 million gallons per day (mgd), with flows of 4.332 mgd, according to this certificate application. The anticipated water demand of the new area applied for is 0.856 mgd. The wastewater treatment plant has a current capacity of 2.10 mgd, with flows of 0.650 mgd. The anticipated wastewater demand of the area applied for is 0.332 mgd.

The utility has experienced steady growth since first being certificated by the Commission in 1996, and in less than six years, the utility has gained about 6500 water and 6200 wastewater customers.

Technical ability has been demonstrated during the period the utility has had its certificates from this Commission. The utility has no outstanding Notices of Violation or Consent Orders from the Department of Environmental Protection. Little Sumter has an operations agreement with a contract operator to operate, maintain, and manage the utility facilities and equipment. The utility

retains consultants for general accounting, regulatory accounting, and legal advice.

The territory requested includes both residential and general service development, and is expected to serve more than 500 water equivalent residential connections (ERCs) and more than 2000 wastewater ERCs. The proposed additions are areas adjacent to the current certificated territory. The costs expected to be incurred for this territory expansion are anticipated to be financed with internally generated funds, including contributions in aid of construction from new customers.

An affidavit was submitted stating that notice of application, including newspaper publication in the Ocala Star-Banner, was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code. A letter of objection containing comments was filed by the City of Wildwood on February 25, 2002, explaining that the city had plans to provide water and wastewater service to certain areas in Sumter County, some of which included a portion of the territory applied for by Little Sumter. After discussions with the utility, the city changed its plans and notified the Commission that it will not provide service to the areas involved in this certificate application. We therefore consider the objection withdrawn. No other objections to the notice of application were filed, and the time for filing such objections has expired.

Pursuant to our Memorandum of Understanding with the Department of Community Affairs (DCA), the DCA provided comments to the Commission regarding the application and its consistency with the county's comprehensive plan. The input from the DCA noted that the proposed expansion by Little Sumter contained in this application is consistent with or is anticipated to be consistent with the comprehensive plans in Marion and Sumter Counties. The DCA stated that there is a need for water and wastewater in the requested service area, and that both services were required for earlier development orders in the areas included in the original certificates.

We hereby approve the utility's request to serve the territory included in the application. The requested territory is described in Attachment A. Little Sumter's current rates and charges

contained in the utility's approved tariff shall be applied to service in the additional territory unless we authorize a change in a subsequent proceeding.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Amendment for Certificate Nos. 580-W and 500-S by Little Sumter Utility Company is hereby approved. It is further

ORDERED that Attachment A is incorporated herein by reference. It is further

ORDERED that the approved tariff shall be applied to service in the additional territory unless a change is authorized by the Commission in a subsequent proceeding. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 9th day of August, 2002.

BLANCA S. BAYÓ, Director

Division of the Commission Clerk and Administrative Services

(SEAL)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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 the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 and/or wastewater utility by filing a notice of appeal Division of the Commission Clerk the Director, Administrative Services 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. notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

LITTLE SUMTER UTILITY COMPANY

AREA "A": Begin at the Southeast corner of the SW 1/4 of the SW 1/4 of the W 1/4 of Section 33, Township 17 South, Range 23 East, Marion County, Florida; thence run Westerly to the Southwest corner of said SW 1/4 of the SW 1/4 of the NW 1/4; thence run Northerly to the Northwest corner of said SW 1/4 of the SW 1/4 of the NW 1/4; thence run Easterly to Northeast corner of said SW 1/4 of the SW 1/4 of the NW 1/4; thence run Southerly to the Point of Beginning.

AREA "B": Begin at the Southeast corner of the SW 1/4 of the NW 1/4 of the SW 1/4 of Section 33, Township 17 South, Range 23 East, Marion County, Florida; thence run Westerly to the Southwest corner of said SW 1/4 of the W 1/4 of the SW 1/4; thence run Northerly to the Northwest corner of said SW 1/4 of the W 1/4 of the SW 1/4; thence run Easterly to the Northeast corner of said SW 1/4 of the W 1/4 of the SW 1/4; thence run Southerly to the Point of Beginning.

AREA "C": Begin at the Southeast corner of the SE 1/4 of the SW 1/4 of Section 10, Township 18 South, Range 23 East, Sumter County, Florida; thence run Westerly to the Southwest corner of said SE 1/4 of SW 1/4; thence run Northerly to the Northwest corner of said SE 1/4 of SW 1/4; thence run Easterly to the Northeast corner of said SE 1/4 of SW 1/4; thence run Southerly to the Point of Beginning.

AREA "D": The NE 1/4 of the NW 1/4 of Section 16, Township 18 South, Range 23 East, Sumter County, Florida, and the E 1/2 of the SW 1/4, the NW 1/4 of the SE 1/4, and the SW 1/4 of the NE 1/4 of Section 9, Township 18 South, Range 23 East, Sumter County, Florida.

LESS the right of way for County Road 466 and 101 and the following described property in Section 9, Township 18 South, Range 23 East, Sumter County, Florida: the SE 1/4 of NW 1/4;

LESS: Begin at SW corner of SE 1/4 of NW 1/4; thence North 525 feet; thence East 415 feet; thence South 525 feet; thence West 415 feet to Point of Beginning. Less right of way for County Road 101.

AREA "E": Begin at the Southeast corner of the W 1/2 of the SW 1/4 of the NE 1/4 of Section 16, Township 18 South, Range 23 East, Sumter County, Florida; run thence Westerly to the Southeast corner of the NE 1/4 of Section 17, Township 18 South, Range 23 East, Sumter County, Florida; thence along the East line of said NE 1/4 run Northerly to a point that is 218.50 feet North perpendicular measurement) of the south line of said NE 1/4; thence parallel with said south line of NE 1/4 run Westerly to a point that is 660 feet East (by perpendicular measurement) of the west line of said NE 1/4 of Section 17; thence parallel with said west line run Northerly to the south right-of-way line of County Road 466; thence along said right-of-way line run Easterly to the East line of Section 17; thence continue Easterly along said right-ofway line to the east line of said W 1/2 of SW 1/4 of NE 1/4 of Section 16; thence along said east line run Southerly to the Point of Beginning.

LESS THE FOLLOWING-DESCRIBED PARCEL: Begin at a point where the east line of the W 1/2 of the SW 1/4 of the NE 1/4 of Section 16, Township 18 South, Range 23 East, Sumter County, Florida, intersects the southerly right-of-way line of County Road 466; thence run West 70 yards along said right-of-way line; thence run South 70 yards; thence East 70 yards; thence North 70 yards to the Point of Beginning.

AREA "F": That part of Section 17, Township 18 South, Range 23 East, Sumter County, Florida, described as follows: Begin on the South right-of-way of County Road 466 at a point located on the North-South mid-section line Section 17, Township 18 South, Range 23 East; thence West 850.00 feet along said right-of-way to a point located 274.80 feet West of the East line of Block E, OXFORD according to the plat thereof recorded in Plat Book 1, Pages 32 and 33, Public Records of Sumter County, Florida; thence South parallel to the East line of Block E, 160.00 feet; thence East parallel to County Road 466, a distance of 210.00 feet; thence South 557.60 to the South line of Block F, of said OXFORD; thence East along the South line of Blocks F and I, for 640.00 feet; thence North along said mid-section line 717.60 feet to the Point of Beginning.

AREA "G": The North 594.277 feet of the NW 1/4 of the NW 1/4 of Section 16, Township 18 South, Range 23 East, Sumter County, Florida, lying West of the right-of-way for County Road 101; and the South 75.54 feet of the SW 1/4 of the SW 1/4 of Section 9, Township 18 South, Range 23 East, Sumter County, Florida, lying West of the right-of-way for County Road 101.