BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment of Certificate Nos. 340-W and 297-S to add and delete territory in Pasco County by Mad Hatter Utility, Inc. DOCKET NO. 020982-WS
ORDER NO. PSC-03-0243-FOF-WS
ISSUED: February 20, 2003

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

ORDER APPROVING AMENDMENT OF CERTIFICATES NOS. 340-W AND 297-S TO INCLUDE ADDITIONAL TERRITORY (APEX PROPERTY)

CURRENTLY IN PASCO COUNTY'S SERVICE AREA, AND APPROVING DELETION OF TERRITORY (LAKE TALIA) CURRENTLY IN MAD HATTER UTILITY, INC.'S SERVICE AREA, AND CLOSING DOCKET

BY THE COMMISSION:

Background

On September 13, 2002, Mad Hatter Utility, Inc. (MHU or utility) filed a request for approval of the implementation of an Agreement of Exchange of Service Territory between MHU and Pasco County (County). MHU has an undeveloped parcel, referred to as Lake Talia, in its service area that currently has no customers. The County has agreed to provide service to the area once it is released from MHU's service territory. In exchange for the Lake Talia property, the County agreed to support a request by MHU to include a parcel referred to as the Apex property in the utility's service area.

Mad Hatter is a Class B water and wastewater utility. According to MHU's annual report, the utility provides service to 2880 water equivalent residential customers (ERCs) and 2652

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wastewater ERCs. The utility's service area is located in Southwest Florida Water Management District in the North Tampa Bay Water Use Caution Area.

<u>Application</u>

The application is in compliance with Section 367.045, Florida Statutes, and other pertinent statutes and provisions of the Florida Administrative Code. In particular, the application contains a filing fee in the amount of \$800, as required by Rule 25-30.020, Florida Administrative Code. The application also contains evidence, in the form of warranty deeds, that the utility owns the land upon which its facilities are located, pursuant to Rule 25-30.036(3)(d), Florida Administrative Code.

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

Lake Talia, the area to be deleted, was included in MHU's certificated territory by Order No. 16976, issued December 18, 1986, in Docket No. 860859-WS. No water or wastewater service has been provided, and MHU has no current plan to provide service to the area. Because Lake Talia is located nearly three miles from MHU's active facilities, it would take considerable investment for MHU to extend its facilities to serve the Lake Talia property.

The Apex property, which is in the County's service area, is located adjacent to MHU's service territory. No water or wastewater service is currently being provided to the area. Due to the proximity of the Apex property to MHU's active facilities, it could serve the area without considerable investment. In addition, the County supports MHU's request to include the Apex property in its service area in return for MHU relinquishing all rights to provide service to the Lake Talia property.

MHU's water system has sufficient capacity to provide service to the Apex property. With regard to wastewater service, MHU entered into a Bulk Wastewater Treatment Agreement with the County on February 11, 1992. According to that agreement, the County agreed to provide wastewater service to up to 174 ERCs in the area

to be added. MHU expects to serve single and multi-family homes in the area it has requested to add to its service area.

According to information provided with the application, MHU has the financial and technical ability to provide service to the Apex property. Further, the utility is in compliance with all environmental regulations.

In view of the foregoing, we find that MHU's request to amend Certificates Nos. 340-W and 297-S by deleting the area referred to as Lake Talia from its service area and adding the area referred to as the Apex property, is in the public interest and it is approved. A description of the territory (Lake Talia) being deleted from MHU's service area is shown on Attachment A of this Order, which by reference is incorporated herein. A description of the area (the Apex property) being added to MHU's service area is shown on Attachment B of this Order, which by reference is incorporated herein. MHU shall charge the customers in the territory added herein the rates and charges approved in its tariff until authorized to change by this Commission in a subsequent proceeding.

It is, therefore,

ORDERED by the Florida Public Service Commission that, Mad Hatter Utility, Inc.'s request to amend Certificates 340-W and 297-S to delete the territory referred to as Lake Talia from its certificated territory and to add the territory referred to as the Apex property, is hereby granted. The territory deleted herein is shown on Attachment A of this Order, which by reference is incorporated herein. The territory added herein is shown on Attachment B of this Order, which by reference is incorporated herein. It is further

ORDERED that Mad Hatter Utility shall charge the customers in the territory added herein the rates and charges approved in its tariff until authorized to change by this Commission in a subsequent proceeding. It is further

ORDERED that this docket is hereby closed.

By ORDER of the Florida Public Service Commission this 19th day of February, 2003.

BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

(SEAL)

ALC

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 with the Director, Division of the Commission Clerk and 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. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

ATTACHMENT A

MAD HATTER UTILITY, INC.

WATER AND WASTEWATER AREA TO BE DELETED LAKE TALIA PASCO COUNTY

In Sections 12, 13, and 14, Township 26 South, Range 18 East, Pasco County:

The Northwest 1/4 of the Northwest 1/4 of Section 13, and that part of the Northeast 1/4 of the Northwest 1/4 of said section, more particularly described as follows: Beginning at the Northeast corner of the Northwest 1/4 of the Northwest 1/4 of said Section 13, run thence East 210.8 feet more or less to the right-of-way of State Road #45 (formerly State Road #5) and also known as Federal Highway #41; thence Southeasterly along said right-of-way 600 feet; thence Southwesterly 561.7 feet more or less to a point on the Western boundary of said Northeast 1/4 of the Northwest 1/4 of said Section; thence North 978 feet along the western boundary of said Northeast 1/4 of the Northwest 1/4 to the Point of Beginning.

AND

The South 1/2 of the Northwest 1/4 of the Southwest 1/4 of the Southwest 1/4; the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4; the Southeast 1/4 of the Southwest 1/4 of the Southwest 1/4, less the North 210 feet of the East 420 feet thereof; and the South 210 feet of the North 420 feet of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 lying West of the paved road in Section 12.

AND

The East 3/4 of the Northeast 1/4 of the Northeast 1/4 of Section 14.

AND

The West 1/4 of the Northeast 1/4 of the Northeast 1/4 of Section 14, less the South 414 feet thereof, less the maintained right-ofway for Drexel Road.

AND

That part of the South 237 feet of the Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 12, lying West of the Old State Road #5.

Above described property contains 106.96 acres of land, more or less.

ATTACHMENT B

MAD HATTER UTILITY, INC.

WATER AND WASTEWATER AREA TO BE AMENDED AND INCLUDED APEX PROPERTY PASCO COUNTY

In Section 36, Township 26 South, Range 18 East, Pasco County:

Beginning at the Southwest corner of the East 1/4 of the Northwest 1/4 of the Southwest 1/4 of said Section 36, run thence North 659.54 feet along the west boundary of said East 1/4 of the Northwest 1/4 of the Southwest 1/4; thence West 320 feet along the South boundary of the Northeast 1/4 of the Northwest 1/4 of the Southwest 1/4; thence North 660 feet to a point in the north boundary of the Northeast 1/4 of the Northwest 1/4 of the Southwest 1/4, being 10.7 feet East of the Northwest corner of said Northeast 1/4 of the Northwest 1/4 of the Southwest 1/4; thence East 5.7 feet along the North boundary of the Northeast 1/4 of the Northwest 1/4 of the Southwest 1/4; thence North 330 feet along a line parallel to and 16.4 feet East of the West boundary of the Southeast 1/4 of the Southwest 1/4 of the Northwest 1/4; thence East 393.15 feet along a line parallel to and 330 feet North of the South boundary of the Southeast 1/4 of the Southwest 1/4 of the Northwest 1/4 to a point in the Westerly boundary of the Seaboard Coastline Railroad (formerly Tampa Northern R.R.) which point is 50 feet from the centerline of the track of said Seaboard Coastline Railroad; thence Southeasterly along said Westerly boundary 1788.92 feet to a point in the South boundary of the Northeast 1/4 of the Southwest 1/4; thence West along the South boundary of the Northeast 1/4 of the Southwest 1/4, and the Northwest 1/4 of the Southwest 1/4, 760.41 feet to the Point of Beginning. Being all in Section 36, Township 26 South, Range 18 East, Pasco County, Florida.

TOGETHER WITH the West 5.7 feet of the following described tract:

A tract of land in the Northwest 1/4 of Section 36, Township 26 South, Range 18 East, Pasco County, Florida, more particularly described as follows: Commencing at the Southeast corner of the

Southwest 1/4 of the Northwest 1/4 of said Section 36; thence North 89°39'14" West, 569.84 feet to the Point of Beginning; thence continue North 89°39'14" West, 80.88 feet; thence North 00°20'46" East, 330 feet; thence South 89°39'14" East, 80.88 feet; thence South 00°20'46" West, 330 feet to the Point of Beginning.