

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for certificates to provide water and wastewater service in Sumter County by Orange Blossom Utilities, Inc. | DOCKET NO. 070391-WS
| ORDER NO. PSC-07-0951-FOF-WS
| ISSUED: November 29, 2007

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman
MATTHEW M. CARTER II
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

FINAL ORDER GRANTING WATER CERTIFICATE NO. 639-W
AND WASTEWATER CERTIFICATE NO. 548-S

BY THE COMMISSION:

Background

On June 29, 2007, Orange Blossom Utilities, Inc. (OBU or utility) filed its application for original water and wastewater certificates in Sumter County. The requested territory includes 52 acres. The area is in the Southwest Florida Water Management District (SWFWMD) but is not in a water use caution area. The utility anticipates providing water and wastewater service to a total of approximately 174 residential and 36 general service customers when it reaches build out.

The property owner determined that there are no existing water and wastewater utilities in the area that could provide service to the 52-acre development. The application included copies of letters written to neighboring utilities requesting service for the development with responding letters stating that the utilities had no extra capacity which could be used for the applicant's development. The utility was established in 2004 and has been providing water and wastewater service to 11 general service customers (a hotel, an office building, two restaurants, and seven stores), all owned by affiliated developers, since December of 2005, the first phase of the development. The utility was exempt from this Commission's regulation because it did not charge for service. The related land owners and developers are planning an additional 174 residential and 25 general service customer development in Sumter County. The utility wants to start charging for service which would make it subject to our regulation.

The utility consists of a well and pump house, a 15,000 gallon hydropneumatic tank, water distribution lines for potable water service, and fire protection in the project known as Village Park Center. The well has a tested flow capacity of 1,000 gallons per minute. The system will add a second well, identical in flow to the existing well, prior to further

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development. The water system will eventually serve more than 350 people within the development.

A 99,000 gallons per day central wastewater treatment plant will provide the customers' sewer service in Village Park Center. Treated effluent will be disposed of by ground water recharge through absorption fields. The utility will not have sufficient flows to provide reuse water.

Pursuant to Section 367.031, Florida Statutes (F.S.), we must grant or deny an application for a certificate of authorization within 90 days after the official filing date of the completed application. OBU's application was deemed complete on August 30, 2007. Therefore, this application must be ruled upon by November 28, 2007.

This Order addresses the application for original water and wastewater certificates. We have jurisdiction pursuant to Sections 367.031 and 367.045, F.S. Additional time is needed for our staff to complete its review of the utility's proposed rates and charges, and our staff will file a recommendation addressing rates and charges for a subsequent agenda.

Granting of Water and Wastewater Certificates

As stated above, OBU filed its application for original water and wastewater certificates to provide service in Sumter County on June 29, 2007. The applicant filed revised cost and rate data on August 30, 2007. The application is in compliance with the governing statute, Section 367.045, F.S., and other pertinent statutes and administrative rules concerning an application for original certificate. In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code (F.A.C.). No objections to the notice of application have been received and the time for filing such has expired.

The applicant submitted an unrecorded executed warranty deed in the name of the utility for the land for the water and wastewater facilities. Pursuant to Rule 25-30.033(1)(j), F.A.C., the applicant has agreed to file a copy of the executed and recorded warranty deed with us within 30 days of our order granting certificates to the utility.

Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.033(1)(l), (m), and (n), F.A.C. A description of the territory requested by the applicant is appended as Attachment A.

The applicant appears to have the financial and technical ability to provide water and wastewater service to the proposed service area. Regarding financial ability, the application states that Ms. Nancy P. Steinmetz, the president and primary stockholder of OBU, has and will continue to provide necessary start-up funding as well as funds sufficient to cover operation shortfalls during the utility's initial years. A review of the financial statement of Ms. Steinmetz shows that she appears to have adequate resources to support the utility during the initial years of operation.

Regarding the applicant's technical ability, the applicant indicates that it will make the financial and operating commitment necessary for the utility to be successful in its endeavor to provide water and wastewater service to the customers within the proposed service territory. Towards that end, the applicant has retained licensed professionals as consultants, design engineers, management, and operators of the utility systems. Specifically, the utility currently has retained the services of Protech Water and Wastewater Systems, Inc., an engineering consultant with 14 licensed professionals, to operate OBU.

According to the application, there is currently a need for water and wastewater service within the proposed service territory. Phase I of the development, which includes 11 general service customers, was completed in 2007. The utility has been providing service, without compensation, to the general service customers within the requested territory since December 2005. The land developer anticipates future construction on 42 acres including 12 single-family homes, 108 town homes, 54 villa residential units, four restaurants, 20 shops, and an office building. Further, the applicant believes there are no other utilities near the proposed service area which can provide the necessary water and wastewater service, and construction of OBU is the only viable alternative.

The application states that the provision of service in the proposed service territory, as outlined in the application, is consistent with the water and wastewater sections of the local comprehensive plan of Sumter County, as approved by the Department of Community Affairs (DCA). A review of the application by the DCA revealed no inconsistencies with the Sumter County comprehensive plan. Pursuant to Section 367.045(5)(b), F.S., we need not consider whether the issuance of a certificate of authorization is inconsistent with the local comprehensive plan of a county or municipality unless a timely objection to the notice of filing is received.

The applicant understands that it must maintain its books and records according to the National Association of Regulatory Utility Commissioners Uniform System of Accounts. The utility also understands the requirement to file annual reports and pay regulatory assessment fees by March 31 for the previous year. In addition, the applicant is aware that it may not charge rates, change rates, serve outside its certificated territory, or sell the utility without our prior approval.

Based on the above information, we find that it is in the public interest to grant the application for original water and wastewater certificates. Accordingly, OBU shall be granted Certificates Nos. 639-W and 548-S to serve the territory described in Attachment A effective November 20, 2007. This Order shall serve as OBU's water and wastewater certificates and shall be retained by the utility. The utility shall file an executed and recorded copy of the warranty deed for the land for the water and wastewater facilities within 30 days of the issuance date of this Order.

In consideration of the above, it is

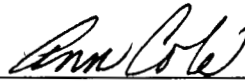
ORDERED that Orange Blossom Utilities, Inc., shall be granted Certificates Nos. 639-W and 548-S to serve the territory described in Attachment A of this Order effective November 20, 2007. It is further

ORDERED that this Order shall serve as Orange Blossom Utilities, Inc.'s water and wastewater certificates and shall be retained by the utility. It is further

ORDERED that the utility shall file an executed and recorded copy of the warranty deed for the land for the water and wastewater facilities by December 20, 2007. It is further

ORDERED that this docket shall remain open pending the establishment of initial rates and charges.

By ORDER of the Florida Public Service Commission this 29th day of November, 2007.



ANN COLE
Commission Clerk

(S E A L)

RRJ

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), F.S., to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, F.S., 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 Office of Commission Clerk, 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, F.A.C.;
- 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 Office of Commission Clerk, 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.

Orange Blossom Utilities, Inc.
Water and Wastewater Service Area
Sumter County

Section 15, Township 18 South, Range 23 East

Begin at a point 1442.39 feet East of the Northwest corner of Section 15, Township 18 South, Range 23 East, Sumter County, Florida; thence run S. 89°59'25" E., 1442.24 feet; thence run S. 45°03'32" E., 49.56 feet; thence run S. 00°07'42" E., 14.99 feet; thence run S. 89°59'45" E., 14.99 feet; thence run S. 45°03'32" E., 14.16 feet; thence run S. 00°07'39" E., 1271.93 feet; thence run S. 89°55'20" W., 661.67 feet; thence run S. 00°05'52" E., 609.07 feet to the Northerly right-of-way line of County Road No. 466; thence run along said Northerly right-of-way the following courses: N. 45°43'48" W., 96.20 feet to the point of curvature of a curve concave Southwesterly having a radius of 1960.08 feet and a central angle of 26°40'29"; thence run along the arc of said curve 912.54 feet said arc having a chord bearing of N. 59°08'15" W.; and a chord distance of 904.32 feet; thence departing said right-of-way run N. 00°01'25" E., 1411.10 feet to the point of beginning.

FLORIDA PUBLIC SERVICE COMMISSION

authorizes

Orange Blossom Utilities, Inc.
pursuant to
Certificate Number 639-W

to provide water service in Sumter County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-07-0951-FOF-WS	11/29/07	070391-WS	Original Certificate

FLORIDA PUBLIC SERVICE COMMISSION

authorizes

Orange Blossom Utilities, Inc.
pursuant to
Certificate Number 548-S

to provide wastewater service in Sumter County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-07-0951-FOF-WS	11/29/07	070391-WS	Original Certificate