BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for staff-assisted rate case in Lee County by Useppa Island Utilities Co., Inc. DOCKET NO. 110260-WS ORDER NO. PSC-13-0448-PCO-WS ISSUED: October 2, 2013

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman LISA POLAK EDGAR ART GRAHAM EDUARDO E. BALBIS JULIE I. BROWN

ORDER GRANTING USEPPA ISLAND UTILITIES CO., INC.'S REQUEST FOR EXTENSION OF TIME TO COMPLETE REQUIRED PRO FORMA CONSTRUCTION

BY THE COMMISSION:

Case Background

Useppa Island Utilities Co., Inc. (Useppa or Utility) is a Class C water and wastewater utility currently providing service to approximately 144 water and 138 wastewater customers on Useppa Island in Lee County off the coast of North Fort Myers. There is no bridge to the island and the island covers approximately 100 acres. The Utility serves a membership of clients known as the Useppa Island Club. Members of the Useppa Island Club visit the island for vacations, holidays, and special events, which results in a seasonal customer base. Useppa is located in the South Florida Water Management District in a critical use county on environmentally sensitive land.

Useppa was granted Certificate Nos. 354-W and 310-S in 1982. On August 29, 2011, Useppa filed an application for a staff-assisted rate case. On May 31, 2012, Useppa and the Useppa Island POA, Inc. (Property Owners) filed a Joint Motion Requesting Approval of Settlement Agreement. We approved the settlement agreement on August 10, 2012.¹ Our decision became final on September 5, 2012.² On August 28, 2013, Useppa filed a request for extension of time to complete required pro forma construction (Request) which is unopposed by both Office of Public Counsel (OPC) and the Property Owners. The pro forma construction includes an injection well project and reverse osmosis retrofit of the Useppa water treatment plant. The Request is the subject of this Order.

¹ By Order No. PSC-12-0406-PAA-WS.

² By Order No. PSC-12-0457-CO-WS.

ORDER NO. PSC-13-0448-PCO-WS DOCKET NO. 110260-WS PAGE 2

We have jurisdiction pursuant to Sections 367.081, 367.121, and 367.0814, Florida Statutes.

Decision

The settlement agreement incorporated, as Attachment B, our staff's report dated February 10, 2012. At page 26, the staff report included language that would require Useppa to complete pro forma items within 12 months of our issuance of a consummating order. That is, by September 5, 2013. In its Request, Useppa states that it,

is requesting an extension to complete work until January 31, 2014. Due to pending approval timeline delays through the Department of Environmental Protection. Upon approval of the project permit, the final phase construction and activation of the deep well may begin. We anticipate that the work on the injection well will be complete by January 31, 2014.

We have confirmed that the permit application is still pending and has not been approved by the Department of Environmental Protection (DEP). Neither the Property Owners nor OPC oppose the Request. Under the circumstances, we find that extending the date for completion of the required pro forma construction until January 31, 2014, is reasonable and shall be approved. Because DEP's review of the project is subject to public notice and protest, we shall authorize our staff to administratively approve additional extensions of time, as may be needed, based upon any further delays in the permitting process.

No other modification of the approved timeline is required. Pursuant to Order No. PSC-12-0406-PAA-WS, Phase II rates will not go into effect until the pro forma work is completed.³

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Useppa Island Utilities Co., Inc.'s unopposed request for extension of time to complete required pro forma construction of an injection well project and reverse osmosis retrofit of its water treatment plant is hereby granted. It is further,

ORDERED that the Commission staff is hereby authorized to administratively approve additional extensions of time, as may be needed, based upon any further delays in the permitting process. It is further,

ORDERED that this docket shall remain open to address Phase II rates in accordance with the Parties Stipulation and Settlement Agreement.

³ See Id. at Attachment B page 26.

ORDER NO. PSC-13-0448-PCO-WS DOCKET NO. 110260-WS PAGE 3

By ORDER of the Florida Public Service Commission this 2nd day of October, 2013.

De (nu)

ANN COLE Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

CWM

ORDER NO. PSC-13-0448-PCO-WS DOCKET NO. 110260-WS PAGE 4

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 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, 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 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.