

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for staff-assisted rate case in  
Polk County by Crooked Lake Park Sewerage  
Company.

DOCKET NO. 130178-SU  
ORDER NO. PSC-16-0204-FOF-SU  
ISSUED: May 19, 2016

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman  
LISA POLAK EDGAR  
ART GRAHAM  
RONALD A. BRISÉ  
JIMMY PATRONIS

ORDER GRANTING EXTENSION OF TIME TO COMPLETE PRO FORMA

BY THE COMMISSION:

***Background***

Crooked Lake Park Sewerage Company (Crooked Lake or utility) is a Class C wastewater utility serving approximately 324 customers in Polk County. Water service is provided by Park Water Company, Inc. The utility's service area is comprised of two mobile home parks.

The utility filed its application for a staff-assisted rate case on June 27, 2013. By Order No. PSC-15-0142-PAA-SU, issued March 26, 2015, we approved Phase I and Phase II revenue requirements and rates. The Phase II rates were to be implemented upon the utility's completion of Phase II pro forma plant items and our staff's verification of completion. The utility was given 12 months from the effective date of the consummating order to complete the Phase II pro forma plant items. Consummating Order No. PSC-15-0154-CO-SU was issued on April 20, 2015. Therefore, the pro forma plant items were to be completed before April 20, 2016. Order No. PSC-15-0142-PAA-SU provided that if the utility encountered any unforeseen events that would impede the completion of the Phase II pro forma plant items, the utility was to immediately notify us in writing.

In addition, the utility was required to purchase commercial general liability insurance (insurance) and provide proof within 90 days of the effective date of the final order. The utility was required to provide proof of continued payment of the insurance premiums prior to the implementation of the Phase II rate increase. The utility provided proof in the specified time frame that it purchased the insurance in its entirety. As a condition of the implementation of Phase II rates, the utility is required to maintain the general liability insurance. The coverage period for the insurance is May 12, 2015 to May 12, 2016, and is due to expire prior to the completion of construction of the pro forma plant items.

On March 31, 2016, the utility requested that it be granted an extension of approximately three months for it to complete the Phase II pro forma plant items. We have jurisdiction pursuant to Section 367.121, Florida Statutes.

### *Analysis*

Pursuant to Order No. PSC-15-0142-PAA-SU, Crooked Lake was required to purchase and provide proof of general liability insurance and was given until April 20, 2016, to complete construction of the Phase II pro forma plant items listed below.

#### **Pro Forma Plant Items**

<b>Project</b>	<b>Description</b>
Wastewater Treatment Plant Modification	Construct surge tank, digester tank, and sludge bed
Collection System Mapping and Cleaning	Map current pipe locations and thoroughly clean
Replacement of Electrical Control Panel	Install NEMA 4X duplex control panel
Replacement of 4" Force Main	Replace up to 2,100 feet of 4" pipes

To comply with the conditions of the Department of Environmental Protection permit, the utility is required to construct a digester tank, surge tank, and sludge bed, which the utility estimates will cost \$359,612. In addition, the utility proposed the remaining pro forma items, which the utility estimates will cost \$117,672. Therefore, the total estimation for pro forma is \$477,284. The utility is currently working on completing its pro forma items. However, the utility requested an extension due to scheduling delays from subcontractors and recent emergency repair work to lines and manholes. The utility indicated that it had to re-direct its crews and revise schedules to fix various lines and emergency work in the service area. We find that the request for an extension of time to complete the construction is reasonable. The utility shall submit a copy of the final invoices and cancelled checks for the Phase II pro forma plant items upon completion. In addition, the utility shall provide proof that the general liability insurance was renewed.

### *Decision*

Based on the foregoing, we find it appropriate to approve Crooked Lakes' request for an extension of time to complete pro forma plant items as set forth above. The pro forma plant items shall be completed by July 31, 2016. In the event the utility does not meet its July 31, 2016 deadline and requests additional time, our staff is hereby granted administrative authority to grant the utility an additional six months to complete the pro forma plant items.<sup>1</sup> Upon completion of the pro forma plant items, the utility shall submit a copy of the final invoices and

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<sup>1</sup> The permit issued by the Department of Environmental Protection for modifications to the wastewater treatment plant does not expire until July 30, 2018.

cancelled checks for the Phase II pro forma plant and documentation that the general liability insurance has been renewed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Crooked Lake Park Sewerage Company's request for an extension of time to complete the Phase II pro forma items is hereby approved. It is further

ORDERED that the pro forma plant items shall be completed by July 31, 2016. It is further

ORDERED that in the event the utility does not meet its July 31, 2016 deadline and requests additional time, staff shall have administrative authority to grant the utility an additional six months to complete the pro forma plant items. Upon completion of the pro forma plant items, the utility shall submit a copy of the final invoices and cancelled checks for the Phase II pro forma plant and documentation that the general liability insurance was renewed. It is further

ORDERED that the docket shall remain open to allow staff time to verify that the Phase II pro forma plant items have been completed and the Phase II rates are properly implemented. Once these actions are complete and verified by staff this docket shall be closed administratively.

By ORDER of the Florida Public Service Commission this 19th day of May, 2016.



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HONG WANG

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

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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 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.