

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of General) DOCKET NO. 891313-WS
Development Utilities, Inc., Port)
LaBelle Division, for water and sewer) ORDER NO. 22565
certificates in Glades and Hendry)
Counties.) ISSUED: 2-15-90
_____)

The following Commissioners participated in the disposition of this matter:

MICHAEL MCK. WILSON, Chairman
THOMAS M. BEARD
BETTY EASLEY
GERALD L. GUNTER
JOHN T. HERNDON

ORDER GRANTING CERTIFICATES

AND

NOTICE OF PROPOSED AGENCY ACTION
ORDER SETTING RATES AND CHARGES

BY THE COMMISSION:

Notice is hereby given by the Florida Public Service Commission that the action discussed herein is final except for the setting of rates and charges, which is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

Background

On November 20, 1989, General Development Utilities, Inc. (GDU or Utility) filed an application for water and sewer certificates for its Port LaBelle division, which provides service in portions of Glades and Hendry Counties. On October 1, 1989, the Port LaBelle division became subject to the Commission's jurisdiction pursuant to Section 367.171(7), Florida Statutes, which gave the Commission jurisdiction over utilities whose systems transverse county boundaries, whether the counties involved are jurisdictional or nonjurisdictional. The only exception are utility systems that are subject to, and remain subject to, inter-local utility agreements in effect as of October 1, 1989. Water and sewer service has been provided by GDU pursuant to franchise agreements granted by Glades and

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Hendry Counties; however, no inter-local utility agreements exist. We believe it appropriate to treat GDU's application, filed pursuant to Section 367.171(7), Florida Statutes, as a "grandfather" application.

Application

The application is in compliance with Section 367.045, Florida Statutes, and other pertinent statutes and administrative rules concerning applications for certificates. In particular, the application contains:

- 1) A filing fee in the amount of \$4,500, as prescribed by Section 367.145, Florida Statutes, and Rule 25-30.020, Florida Administrative Code.
- 2) Adequate territory and system maps have been filed as well as a service territory description pursuant to Rule 25-30.035(h) and (i), Florida Administrative Code. The utility provided copies of the franchise agreements with Glades and Hendry Counties which contain a description of the franchised territory. Territory descriptions for Glades and Hendry Counties are appended to this memorandum as Attachments A and B, respectively.
- 3) Evidence that the utility owns the land upon which the utility's facilities are located as required by Rule 25-30.035(3)(f), Florida Administrative Code.
- 4) Proof of notice of application pursuant to Section 367.045, Florida Statutes, and Rule 25-30.030, Florida Administrative Code, although such noticing is not required for a "grandfather" certificate. This noticing included the Board of County Commissioners of Glades and Hendry Counties, the City of LaBelle, the Southwest Regional Planning Council, the Department of Environmental Regulation, the Public Counsel and the Commission. There are no privately-owned water and/or sewer utilities within a four mile radius of the Port LaBelle system.
- 5) Proof of advertisement of the notice of application in a newspaper of general circulation in the territory,

as prescribed by Rule 25-30.030, Florida Administrative Code.

No objections to the notice of application have been received and the time for filing such has expired.

GDU, a wholly-owned subsidiary of General Development Corporation, has been providing water and sewer service in its Port LaBelle division since approximately 1974. GDU currently holds Certificates in Brevard, DeSoto, Marion and St. Johns Counties. The Utility has demonstrated its financial and technical ability to provide safe and reliable service to its customers and conform to the rules and regulations of the Commission. Further, the Department of Environmental Regulation has no outstanding citations or violations for the above-listed utility systems.

Upon consideration, we find it is in the public interest to grant certificates to GDU for the territory its Port LaBell Division was franchised to serve in Glades and Hendry Counties as of the date the Commission assumed jurisdiction, October 1, 1989. Therefore, GDU is hereby granted Water Certificate No. 526-W and Sewer Certificate No. 460-S to provide service to the territory described in Attachments A (Glades County) and B (Hendry County).

Rates and Charges - Glades County

The current rates and charges for the portion of the Port LaBelle division located in Glades County are as follows:

GENERAL DEVELOPMENT UTILITIES, INC.
Port LaBelle System - Glades County

Water Rates For Service
(Monthly Rates)

Residential Service

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallonge Charge</u>
5/8"x3/4"	\$ 8.06	\$ 2.14 per 1,000 Gal.
1"	20.15	2.14 per 1,000 Gal.
1 1/2"	40.30	2.14 per 1,000 Gal.
2"	64.48	2.14 per 1,000 Gal.

General Service

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallorage Charge</u>
5/8"x3/4"	\$ 8.06	\$ 2.14 per 1,000 Gal.
1"	20.15	2.14 per 1,000 Gal.
1 1/2"	40.30	2.14 per 1,000 Gal.
2"	64.48	2.14 per 1,000 Gal.
3"	128.96	2.14 per 1,000 Gal.

Standby Rates For Fire Hydrants/Sprinkler Systems

Fire hydrant located on private property:	\$ 75.00/year
Fire main into private building - 6":	100.00/year
Fire main into private building - 8":	125.00/year

Sewer Rates for Service
 (Monthly Rates)

Residential Service

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallorage Charge</u>
All	\$ 8.00	\$ 1.51 per 1,000 Gal. up to a maximum of 6,000 gal./month

General Service

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallorage Charge</u>
5/8"x3/4"	\$ 8.00	\$ 1.82 per 1,000 Gal.
1"	20.00	1.82 per 1,000 Gal.
1 1/2"	40.00	1.82 per 1,000 Gal.
2"	64.00	1.82 per 1,000 Gal.
3"	128.00	1.82 per 1,000 Gal.

The utility charges \$8.00 for an initial connection, normal reconnection and violation reconnection during regular working hours. This charge increases to \$13.00 for services performed after regular working hours. In addition, any customer who requests that service be discontinued for a

temporary period of time must pay the base facility charge during the period of interruption. Any customer who closes an account and later requests service at the same address as a new customer is held liable for the base facility charge during the disconnected months.

The service availability charges include plant capacity charges of \$.75 per gallon demand for the water system and \$1.25 per gallon demand for the sewer system. For a single family residential customer using a standard 5/8"x3/4" meter, the plant capacity charges are \$262.50 for water service and \$437.50 for sewer service. In addition, the utility assesses main extension charges based on a charge per foot measured along the front of the property to be served. These charges are \$5.50 per foot for water service and \$11.00 per foot for sewer service.

The water meter installation fees are as follows:

<u>Meter Size</u>	<u>Charge</u>
5/8"x3/4"	\$100.00
1"	150.00
1 1/2"	250.00
2"	350.00
Over 2"	Actual Cost

In addition to the above charges, the service availability policy allows for the acceptance of contributed property from developers for the water distribution and sewage collection systems and states that the utility may require refundable advances by a contributor to temporarily defray the cost of any off-site extension of water and/or sewer mains or other facilities. GDU has no developer agreements in the Port LaBelle division at this time.

The above rates and charges were approved by Glades County and were in effect on October 1, 1989, the date the system became subject to the Commission jurisdiction. GDU is directed to continue charging these rates and charges until such time as it is authorized to change by the Commission.

The Utility collects the following customer deposits which are based on an average monthly bill for three billing periods:

CUSTOMER DEPOSITS
 (Rates are Same for Water and Sewer Systems)

<u>METER SIZE</u>	<u>RESIDENTIAL</u>	<u>GENERAL SERVICE</u>
5/8"x3/4"	\$ 40.00	\$ 40.00
1"	50.00	100.00
1 1/2"	90.00	180.00
2"	120.00	250.00
3"	N/A	3 Months Estimated Billing

The above customer deposits are appropriate with the exception of the rate for a 3 inch meter. An initial customer deposit based on three months' estimated billing is in violation of Commission Rule 25-30.311, Florida Administrative Code, which states that deposits should not exceed an amount equal to the average charge for service for two billing periods. Therefore, GDU is directed to file tariff sheets reflecting customer deposits for the Glades County systems which are based on two months' average billing for 3 inch meters.

Rates and Charges - Hendry County

The current rates and charges for the portion of the Port LaBelle division located in Hendry County are as follows:

GENERAL DEVELOPMENT UTILITIES, INC.

PORT LABELLE SYSTEM - HENDRY COUNTY

Water Rates For Service
 (Monthly Rates)

RESIDENTIAL

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallonge Charge</u>
5/8"x3/4"	\$ 9.19	\$ 1.55 per 1,000 Gal.
1"	22.97	1.55 per 1,000 Gal.
1 1/2"	45.94	1.55 per 1,000 Gal.
2"	73.51	1.55 per 1,000 Gal.

GENERAL SERVICE

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallonage Charge</u>
5/8"x3/4"	\$ 9.19	\$ 1.55 per 1,000 Gal.
1"	22.97	1.55 per 1,000 Gal.
1 1/2"	45.94	1.55 per 1,000 Gal.
2"	73.51	1.55 per 1,000 Gal.
3"	147.01	1.55 per 1,000 Gal.

STANDBY RATES FOR FIRE HYDRANTS/SPRINKLER SYSTEMS

Fire hydrant located on private property:	\$ 81.00/year
Fire main into private building - 6":	100.00/year
Fire main into private building - 8":	125.00/year

Sewer Rates For Service
 (Monthly Rates)

RESIDENTIAL

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallonage Charge</u>
All	\$ 9.12	\$.93 per 1,000 Gal. up to a maximum of 6,000 gal./month

GENERAL SERVICE

<u>Meter Size</u>	<u>Base Facility Charge</u>	<u>Gallonage Charge</u>
5/8"x3/4"	\$ 9.12	\$ 1.12 per 1,000 Gal.
1"	22.80	1.12 per 1,000 Gal.
1 1/2"	45.60	1.12 per 1,000 Gal.
2"	72.96	1.12 per 1,000 Gal.
3"	145.92	1.12 per 1,000 Gal.

The utility charges \$8.00 for an initial connection, normal reconnection and violation reconnection during regular working hours. This charge increases to \$13.00 for services performed after regular working hours. In addition, any

customer who requests that service be discontinued for a temporary period of time must pay the base facility charge during the period of interruption. Any customer who closes an account and later requests service at the same address as a new customer is held liable for the base facility charge during the period of time service was disconnected.

The service availability charges include plant capacity charges of \$1.00 per gallon demand for the water system and \$1.50 per gallon demand for the sewer system. For a single family residential customer using a standard 5/8"x3/4" meter, the plant capacity charges are \$350.00 for water service and \$525.00 for sewer service. In addition, the utility assesses main extension charges based on a charge per foot measured along the front of the property to be served. These charges are \$6.85 per foot for water service and \$13.25 per foot for sewer service.

The water meter installation fees are as follows:

<u>Meter Size</u>	<u>Charge</u>
5/8"x3/4"	\$100.00
1"	150.00
1 1/2"	250.00
2"	350.00
Over 2"	Actual Cost

The utility assesses an Allowance for Funds Prudently Invested (AFPI) charge to all sewer customers until the Company is providing sewer service to 1,635 equivalent residential connections. The charge increases monthly until December, 1990. Customers connecting after this time will pay the AFPI charge as of December, 1990. The AFPI charges by month for 1989 and 1990 are as follows:

AFPI - SEWER SYSTEM

	<u>1989</u>	<u>1990</u>
January	\$407.20	\$520.50
February	416.60	530.42
March	426.00	540.33
April	435.40	550.25
May	444.80	560.16
June	454.19	570.88
July	463.59	579.99
August	472.99	589.91
September	482.39	599.82
October	491.79	609.74
November	501.19	619.66
December	510.59	629.57

In addition to the above charges, the service availability policy allows for the acceptance of contributed property from developers for the water distribution and sewage collection systems and states that the utility may require refundable advances by a contributor to temporarily defray the cost of any off-site extension of water and/or sewer mains or other facilities. GDU has no developer agreements in the Port LaBelle division.

The above rates and charges were approved by Hendry County and were in effect on October 1, 1989, the date the system became subject to Commission jurisdiction. GDU is directed to continue these rates and charges until such time as it is authorized to change by the Commission.

The utility collects the following customer deposits which are based on an average monthly bill for three billing periods:

CUSTOMER DEPOSITS - WATER SYSTEM

<u>METER SIZE</u>	<u>RESIDENTIAL</u>	<u>GENERAL SERVICE</u>
5/8"x3/4"	\$ 50.00	\$ 70.00
1"	130.00	150.00
1 1/2"	250.00	370.00
2"	410.00	590.00
3"	N/A	3 Months Estimated Billing

CUSTOMER DEPOSITS - SEWER SYSTEM

<u>METER SIZE</u>	<u>RESIDENTIAL</u>	<u>GENERAL SERVICE</u>
5/8"x3/4"	\$ 40.00	\$ 60.00
1"	100.00	130.00
1 1/2"	210.00	300.00
2"	330.00	490.00
3"	N/A	3 Months Estimated Billing

The above customer deposits are appropriate with the exception of the rate for a 3 inch meter. An initial customer deposit based on three months' estimated billing is in violation of Commission Rule 25-30.311, Florida Administrative Code, which states that deposits should not exceed an amount equal to the average charge for service for two billing periods. Therefore, GDU is directed to file tariff sheets reflecting customer deposits for the Hendry County systems which are based on two months' average billing for 3 inch meters.

It is, therefore,

ORDERED by the Florida Public Service Commission that General Development Utilities, Inc. 2601 South Bayshore Drive, Miami, Florida 33133-5461, is Certificates Nos. 526-W and 460-S to provide service in the territory described in Attachment A (Glades County) and Attachment B (Hendry County). It is further

ORDERED that General Development Utilities, Inc. shall charges its customers in the Glades County portion of the Port LaBelle Division the rates and charges approved in the body of this Order. It is further

ORDERED that General Development Utilities, Inc. shall charges its customers in the Hendry County portion of the Port LaBelle Division the rates and charges approved in the body of this Order. It is further

ORDERED that General Development Utilities, Inc. shall file tariff sheets reflecting the rates and charges approved herein within 20 days of the date of this Order. It is further

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ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition in the form provided by Rule 25-22.36, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event that this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission,
this 15th day of February, 1990.



STEVE TRIBBLE, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

As identified in the body of this order, our action setting rates and charges is preliminary in nature and will not

become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 8, 1990. In the absence of such a petition, this order shall become effective on the date subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If the relevant portion of this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting 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 of the effective date 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.

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 Records and Reporting 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 or sewer utility by filing a notice of

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appeal with the Director, Division of Records and Reporting 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

GENERAL DEVELOPMENT UTILITIES, INC.
PORT LABELLE DIVISION

TERRITORY DESCRIPTION
GLADES COUNTY

The following described lands located in portions of Sections 35 and 36, Township 42 South, Range 29 East, Glades County, Florida:

Section 35

That portion of the Southwest 1/4 of Section 35 bounded northerly by the Caloosahatchee River.

Section 36

That portion of Section 36 lying South of Birchwood Parkway.

The following described lands located in portions of Sections 29, 30 and 31, Township 42 South, Range 30 East, Glades County, Florida:

Section 29

That portion of Section 29 bounded northerly by Birchwood Parkway and easterly by Aspen Boulevard.

Section 30

That portion of Section 30 bounded northerly by Birchwood Parkway.

Section 31

That portion of Section 31 bounded northwesterly by Birchwood Parkway.

GENERAL DEVELOPMENT UTILITIES, INC.
PORT LABELLE DIVISION

TERRITORY DESCRIPTION
HENDRY COUNTY

The following described lands located in portions of Sections 1, 2, 10, 11, 12, 13, 14 and 15, Township 43 South, Range 29 East, Hendry County, Florida:

Section 1

All of Section 1.

Section 2

The East 1000 feet of Section 2.

Section 10

All of Section 10, excluding the West 1350 feet of the South 2800 feet of said Section 10.

Section 11

All of Section 11 North of the Centerline of Garden Road.

Section 12

The South 2600 feet of the West 2450 feet of Section 12 and the East 1/2 of Section 12.

Section 13

All of Section 13.

Section 14

All of Section 14 lying southerly of the Centerline of Garden Road.

Section 15

All of Section 15.

ATTACHMENT B
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And the following described lands located in portions of Sections 5, 6, 7, 8, 12, 13 and 17, Township 43 South, Range 30 East, Hendry County, Florida:

Section 5

All of Section 5.

Section 6

All of Section 6.

Section 7

All of Section 7.

Section 8

That portion of Section 8 lying Westerly of Estate Boulevard.

Section 12

All of Section 12.

Section 13

All that portion of Section 13 lying Easterly of Wellington Parkway.

Section 17

That portion of Section 17 lying Westerly of Estate Boulevard.

And the following described lands located in portions of Sections 7 and 18, Township 43 South, Range 31 East, Hendry County, Florida:

Section 7

All of Section 7.

Section 18

All of Section 18.