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STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

February 12, 2009

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COMMISSION
CLERK

Mr. Frank Usina
North Beach Utilities
4125 Coastal Highway
St. Augustine, Florida 32095

Re: Docket No. 090029-WS – Ordinance by Board of County Commissioners of St. Johns County relating to regulation of water and wastewater utilities within the unincorporated areas of St. Johns County.

Dear Mr. Usina:

As you may be aware, the Board of County Commissioners of St. Johns County passed Ordinance No. 2008-57 on December 2, 2008. The ordinance transfers jurisdiction over privately-owned water and wastewater utilities in St. Johns County to the Florida Public Service Commission (FPSC), effective on the date the ordinance was properly filed with the FPSC, which was January 16, 2009. A copy of the Commission's order acknowledging the transfer of jurisdiction is attached.

The FPSC is a state agency which provides economic regulation over utility rates and charges pursuant to Chapter 367, Florida Statute (F.S.). Our jurisdiction is separate and distinct from the jurisdiction of the Florida Department of Environmental Protection and your local Water Management District. Please be aware that you may not change any rate or charge, extend or delete any territory, acquire another utility, transfer your utility or majority control of your utility, or change the name of your utility without prior Commission approval.

Pursuant to Section 367.171(2), F. S., you are entitled to receive a grandfather certificate for the area you are currently serving if you file an application by April 16, 2009. Pursuant to Rule 25-30.035, F.A.C., the application must include, among other things, a map and legal description of the existing service area and a tariff listing all existing rates and charges. In addition, the application must be accompanied by a filing fee, as provided by Rule 25-30.020(2)(d), Florida Administrative Code.

If a utility fails to register with the FPSC within the prescribed time, the FPSC may require that the utility apply for an original certificate of authorization in accordance with Chapter 367, which is a much more rigorous and expensive application. Therefore it is important for you to take advantage of your right to file a grandfather certificate application on or before April 16, 2009. An application form and model tariff, in PDF format, may be downloaded from the Commission's website at www.psc.state.fl.us. The application and filing fee should be mailed to:

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Director, Office of Commission Clerk
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Finally, regardless of whether you have a filed an application or whether or not the application has been approved, your utility has been subject to FPSC regulation since January 16, 2009. Therefore, you will be required to file an annual report for 2009 and remit 4.5% of your gross utility revenues to the Commission as regulatory assessment fees (RAFs) on or before March 30, 2010, and every year beyond that. If you are not collecting RAFs for payment to the County, or if you are collecting less than 4.5% of your gross revenues, you are entitled to file for a pass through of RAFs.

If you have any questions regarding completing your application, please contact Patricia Brady at (850) 413-6686 or pbrady@psc.state.fl.us. If you have any questions about annual reports or RAFs, please contact Betty Gardner at (850) 413-6742 or bgardner@psc.state.fl.us.

Sincerely,



Patti Daniel
Public Utilities Supervisor
Bureau of Certification, Economic & Tariffs

Enclosure (1)

PD: (pb)

cc: Brady (Division of Economic Regulation)
Gardner (Division of Economic Regulation)
Slemkewicz (Division of Economic Regulation)
Williams (Office of the General Counsel)
Office of Commission Clerk