BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of special service availability contract in Nassau County by SUNRAY UTILITIES - NASSAU, INC.) DOCKET NO. 940542-WS) ORDER NO. PSC-94-1319-FOF-WS) ISSUED: October 26, 1994)
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The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING UTILITY'S SPECIAL SERVICE AVAILABILITY CONTRACT

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

Sunray Utilities - Nassau, Inc. (SU), a class "C" utility, is located in Fernandina Beach, Florida. SU owns and operates water and wastewater systems in two separate communities, Marsh Lakes and Otter Run. According to SU's 1993 annual report, it serves 102 water customers and 92 wastewater customers.

Pursuant to Rule 25-30.550, Florida Administrative Code, SU requested approval of its special service availability contract with the Oneal County Fire Station. SU's initial application contained several deficiencies. After our Staff notified SU of the deficiencies, SU made the appropriate revisions to its contract.

On June 29, 1994, we received SU's letter, which outlined its accounting treatment for the contract. SU accepted a deed to land, thirty feet (30') by thirty feet (30'), as its fee for water and wastewater capacity of 5 water and 5 wastewater equivalent residential connections (ERCs) to the Oneal County Fire Station. The value of the land exchanged for the plant capacity charges was \$3,690. This total amount complied with SU's tariff capacity

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charges of \$368 and \$370 per ERCs for water and wastewater, respectively. SU's proposed accounting treatment for the transaction added \$3,690 to land and land rights and added \$3,690 to contributions-in-aid-of-construction (CIAC). The CIAC was then divided by \$1,840 and \$1,850 for water and wastewater, respectively, based on the individual value of the capacity charges. The land deed resulted in CIAC.

Based on the above, we hereby grant SU's request for approval of its special service availability contract. We find it appropriate to require SU to place the land's value in a special sub-account so that it will not be amortized, since the land will be recorded in a non-depreciable plant account. Finally, if we do not receive a timely protest from a substantially affected person within 21 days of issuance of this proposed agency action order, this Order will become final and this docket shall be closed.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Sunray Utilities - Nassau, Inc.'s request for special service availability contract in Nassau County is hereby approved, as set forth herein. It is further

ORDERED that all provisions of this Order are issued as proposed agency action and shall become final, unless an appropriate petition in the form provided by Rule 25-22.029, Florida Administrative Code, is received by the Director of Records and Reporting at 101 East Gaines Street, Tallahassee, Florida 32399-0807, by the date set forth in the Notice of Further Proceedings below. It is further

ORDERED that, this docket shall be closed in the event that no timely protest is received from a substantially affected person.

By ORDER of the Florida Public Service Commission, this 26th day of October, 1994.

BLANCA S. BAYO, Director

Division of Records and Reporting

(SEAL)

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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.

The action proposed herein 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, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on November 16, 1994.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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 this order becomes final and effective on the date described above, any party substantially 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 wastewater 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.