

FLORIDA PUBLIC SERVICE COMMISSION
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M E M O R A N D U M

April 4, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF WATER & WASTEWATER (TOMLINSON, ^{bsn et} MCROY) *[Signature]*
DIVISION OF LEGAL SERVICES (AGARWAL) *[Signature]*

RE: DOCKET NO. 960028-WS - SUNNY SHORES WATER COMPANY, INC. -
APPLICATION FOR CERTIFICATE TO PROVIDE WATER AND
WASTEWATER SERVICE UNDER GRANDFATHER RIGHTS
COUNTY: MANATEE

AGENDA: APRIL 16, 1996 - REGULAR AGENDA -
- INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\WAW\WP\960028WS.RCM

DOCUMENT NUMBER-DATE

03901 APR -4 96

FPSC-RECORDS/REPORTING

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CASE BACKGROUND

On October 10, 1995, the Board of County Commissioners of Manatee County adopted Resolution No. R-95-109, pursuant to Section 367.171, Florida Statutes, declaring that as of October 10, 1995, the water and wastewater utilities in that County shall become subject to the provision of the Water and Wastewater Regulatory Law, Chapter 367, Florida Statutes. The resolution was acknowledged by this Commission on November 9, 1995, by Order No. PSC-95-1393-FOF-WS. Pursuant to Section 367.131, Florida Statutes, a utility subject to the jurisdiction of this Commission must obtain a certificate of authorization or an order recognizing the exempt status of the system.

On January 9, 1996, Sunny Shores Water Company, Inc. (Sunny Shores or utility) filed an application for a certificate to provide water and wastewater service in Manatee County. Sunny Shores provides water service to approximately 259 residential customers and 2 general service customers in Manatee County. The utility receives bulk water service from Manatee County. Sunny Shores has been providing water service since 1969.

Upon close investigation of the wastewater service, Staff discovered that Sunny Shores is strictly acting as a billing agent on behalf of Manatee County. All wastewater facilities and lines serving these customers are owned and maintained by Manatee County not Sunny Shores. Pursuant to Rule 25-30.022(2), Florida Administrative Code, Manatee County would be exempt from our regulation as a governmental entity. Therefore, any questions or concerns regarding the billing for wastewater service by Sunny Shores is the responsibility of Manatee County.

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DISCUSSION OF ISSUES

ISSUE 1: Should the application of Sunny Shores Water Company, Inc. for a water and wastewater certificate be granted?

RECOMMENDATION: Yes, Sunny Shores Water Company, Inc. should be granted Water Certificate No. 578-W to serve the territory described in Attachment A, and should be refunded the \$500 filing fee for a wastewater certificate. (TOMLINSON, MCROY)

STAFF ANALYSIS: On January 9, 1996, Sunny Shores filed its application for a grandfather certificate to provide service in Manatee County. The application is in compliance with the governing statute, Section 367.171, Florida Statutes, and other pertinent statutes and administrative rules concerning an application for a grandfather certificate. The rules and statutes do not require noticing for grandfather certificate applications. The application contains a check in the amount of \$1,000 (\$500 for water and \$500 for wastewater) which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code.

The utility filed for a water and wastewater certificate because they were billing for wastewater (on behalf of the County) which was included with the utility's billing for water. Therefore, it was believed that it was appropriate to file for a certificate for both water and wastewater. However, as stated in the Case Background, Sunny Shores receives bulk water service from Manatee County and therefore, only owns the water lines, while all wastewater lines are owned and maintained by Manatee County. Since, Sunny Shores is acting only as a billing agent on behalf of Manatee County for the wastewater service, Staff believes that the utility should only be certificated for the water distribution system, and that no certificate should be issued for the wastewater systems. In light of this, Staff believes it is appropriate to refund the \$500 filing fee sent by the utility for a wastewater certificate.

Adequate service territory and system maps and a territory description has been provided as prescribed by Rule 25-30.035(9), (10), and (11), Florida Administrative Code. A description of territory requested by the applicant is appended to this memorandum as Attachment A. Staff has contacted the Department of Environmental Protection (DEP) and learned that there are no outstanding notices of violation.

Based on the above information, Staff believes it is appropriate to grant Sunny Shores application for a grandfather certificate to provide water service. Accordingly, Staff

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recommends that Sunny Shores Water Company, Inc. be granted Water Certificate No. 578-W for the distribution system to serve the territory described in Attachment A.

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ATTACHMENT A

SUNNY SHORES WATER COMPANY, INC.

WATER SERVICE AREA

MANATEE COUNTY

Located in a portion of Manatee County, Florida, situated entirely within the Northwest 1/4 of Section 2, Township 35 South, Range 16 East, described as follows:

Commence at the northwest corner of Section 2, Township 35 South, Range 16 East; thence run S 00°00'00" E a distance of 1,444 feet to the northerly ROW line of 40th Avenue West; thence run S 64°00'00" E along said ROW line a distance of 881 feet to the Point of Beginning; thence run N 24°00'00" E a distance of 1,468 feet along the westerly bank of a canal; thence continuing along the westerly bank of said canal run N 16°00'00" E a distance of 131 feet; thence continuing along said canal run N 26°00'00" E to the shoreline of Palma Sola Bay; thence run easterly along the shoreline of Palma Sola Bay a distance of approximately 1,000 feet to the point where a bulkhead intersects said shoreline; thence run along said bulkhead N 26°56'00" E a distance of 302.14 feet; thence continuing along said bulkhead run S 62°30'11" E a distance of 160.67 feet to the easterly ROW line of 115th Street West; thence run S 24°46'00" W along said ROW line a distance of 1,875 feet to the northerly ROW line of 40th Avenue West; thence run N 64°00'00" W along said ROW line a distance of approximately 1,069 feet to the Point of Beginning.

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ISSUE 2: What rate and charges should be approved for this utility?

RECOMMENDATION: The rates and charges as detailed in the Staff analysis should be approved. The effective date of the rates should be the stamped approval date on the tariff. (TOMLINSON)

STAFF ANALYSIS: Staff verified that the rates presented by Sunny Shores were the rates applicable at the time the Commission received jurisdiction. Prior to PSC jurisdiction, Sunny Shores has never been regulated by any regulatory authority. However, Sunny Shores' rates and charges are roughly based the rates that they are being charged by Manatee County. Manatee County's rates and charges were approved in Resolution No. R-95-219 by the Manatee County Board of County Commissioners and became effective on October 1, 1995.

The utility's rates and charges are as follows:

Quarterly Service Rates

Water:

Residential and General Service:

Minimum Charge: \$50.17 (first 10,800 gallons)
Gallonge Charge: \$1.31 per 1,000
(in excess of 10,800 gallons)

Meter Test Deposits

<u>Meter Size:</u>	<u>Charge</u>
5/8 x 3/4"	\$20.00
1" and 1 1/2"	\$25.00
2" and over	Actual Cost

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Miscellaneous Service Charges

Initial Connection Fee:	\$15.00
Normal Reconnection Fee:	\$15.00
Violation Reconnection Fee:	\$15.00
Premises Visit Fee:	\$10.00

Service Availability Charges

Meter Installation - 5/8 x 3/4": \$115.00

The utility has filed a tariff which reflects the above rates and charges. Staff recommends that they should be approved as submitted. Staff further recommends that Sunny Shores should be required to continue to charge these rates and charges until authorized to change by the Commission. The tariff should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets.

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ISSUE 3: Should Sunny Shores Water Company, Inc. be required to pay regulatory assessment fees for 1995 and file a 1995 Annual Report with the Commission?

RECOMMENDATION: Yes, the utility should be required to remit regulatory assessment fees for 1995 and file a 1995 Annual Report within 45 days of the date of the order. (TOMLINSON)

STAFF ANALYSIS: Pursuant to Rule 25-30.120(2), Florida Administrative Code, "any utility which is subject to this Commission's jurisdiction on or before December 31 of that year or for any part of that year, whether or not the utility has actually applied for or been issued a certificate" is required to pay regulatory assessment fees. Additionally, Rule 25-30.110(3), Florida Administrative Code, states that "(t)he obligation to file an annual report for any year shall apply to any utility which is subject to this Commission's jurisdiction as of December 31 of that year, whether or not the utility has actually applied for or been issued a certificate." Staff, therefore, recommends that Sunny Shores be required to pay Regulatory Assessment Fees and file an Annual Report from the jurisdictional date, October 10, 1995, within 45 days of the date of the order.

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ISSUE 4: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed. (TOMLINSON)

STAFF ANALYSIS: No further action is required and the docket should be closed.