

FLORIDA PUBLIC SERVICE COMMISSION
Capital Circle Office Center • 2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

MEMORANDUM

MARCH 12, 1998

RECEIVED

MAR 12 1998
11:47
PSC - Records/Reporting

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

FROM: DIVISION OF WATER & WASTEWATER (REDEMANN)
DIVISION OF LEGAL SERVICES (BRUBAKER) *W B 630 gdw*

RE: DOCKET NO. 970696-WS - FLORIDA CITIES WATER COMPANY - LEE
COUNTY DIVISION APPLICATION TO EXTEND TEMPORARY WATER
SERVICE IN LEE COUNTY, AMENDMENT OF CERTIFICATES NOS. 27-
W AND 24-S TO INCLUDE TERRITORY IN LEE COUNTY, AND
DELETION OF A PORTION OF TERRITORY IN WATER CERTIFICATE
NO. 72-W BY GULF UTILITY COMPANY IN LEE COUNTY.
COUNTY: LEE

AGENDA: MARCH 24, 1998 - REGULAR AGENDA - INTERESTED PERSONS MAY
PARTICIPATE.

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\LEG\WP\970696WS.RCM

CASE BACKGROUND

At the February 17, 1998 Agenda Conference, the Commission unanimously voted to approve staff's recommendation granting Florida Cities Water Company's (FCWC or utility) Motion to Dismiss Objection Letters, finding no show cause required for violation of Section 367.045(2), Florida Statutes, granting FCWC's amendment application and deleting a certain portion of territory from Gulf Utility Company's (Gulf) Certificate No. 72-W.

This recommendation addresses an error in the description of territory to be deleted from Gulf Utility Company's Certificate No. 72-W. The error was identified subsequent to the Commission's vote at the February 17, 1998 Agenda Conference.

DOCKET NO. 970696-WS
DATE: March 12, 1998

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission's vote from the February 17, 1998 Agenda Conference be modified to reflect the corrected description of territory to be deleted from Gulf Utility Company's Certificate No. 72-W, as described in Attachment A?

RECOMMENDATION: Yes, the Commission's vote from the February 17, 1998 Agenda Conference should be modified to reflect the corrected description of territory to be deleted from Gulf Utility Company's Certificate No. 72-W, as described in Attachment A. (REDEMANN, BRUBAKER)

STAFF ANALYSIS: On June 9, 1997, FCWC requested that the Commission open a docket to consider approval of an expedited request for an extension of water service. Two adjacent property owners requested water service from Florida Cities, since it had existing lines closest to the properties. Both small parcels were located in the alleged certificated water service area of Gulf Utility Company (Gulf). This extension was granted to FCWC on a temporary basis at the June 24, 1997 Agenda Conference, resulting in Order No. PSC-97-0784-FOF-WS, issued on July 1, 1997. The Order noted that an application consistent with Section 367.045, Florida Statutes was to be filed within the next several weeks. On July 21, 1997, FCWC filed the amendment, which is the subject of this docket, to include more territory.

Order No. PSC-97-0784-FOF-WS noted that FCWC, Gulf and Lee County had met informally and indicated they would not object to FCWC extending service to the two adjacent parcels and other adjacent undeveloped land located nearby. In order for FCWC to provide permanent service to these customers, a corresponding deletion of territory from Gulf's certificated area was required in addition to FCWC's extension.

At the June 24, 1997 Agenda Conference, the Commission stated that Gulf would not have to file for a separate deletion of territory. Rather, the deletion could be accomplished within this amendment docket, since the parties were in agreement with the service arrangement. Therefore, in compliance with its previous decision, the Commission unanimously voted at the February 17, 1998 Agenda Conference to delete the portion of Gulf's territory described in Attachment C of staff's recommendation which was filed on February 5, 1998 in this docket.

In the course of writing the order reflecting the Commission's vote, FCWC's counsel advised staff that there was an error in the description of territory to be deleted from Gulf's Certificate No.

DOCKET NO. 970696-WS
DATE: March 12, 1998

72-W, as described in Attachment C of staff's February 5, 1998 recommendation. Specifically, a portion of the area described in Attachment C contained territory which in fact had never been certificated to Gulf.

Because the notice of FCWC's amendment application correctly identified the area to be added to FCWC's service territory, and no objection was filed to the amendment application by Lee County, staff believes that the amendment of FCWC's certificates is unaffected by the error in the description of territory to be deleted from Gulf's Certificate No. 72-W. However, staff believes that the error in Gulf's territory description should be brought to the Commission's attention via this supplemental recommendation, prior to the issuance of the final order in this case.

Therefore, staff recommends that the Commission's vote from the February 17, 1998 Agenda Conference should be modified to reflect the corrected description of territory to be deleted from Gulf Utility Company's Certificate No. 72-W, as described in Attachment A hereto.

DOCKET NO. 970696-WS
DATE: March 12, 1998

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. No issues remain in this docket and it should be closed. (BRUBAKER)

STAFF ANALYSIS: No issues remain in this docket and it should be closed.

DOCKET NO. 970696-WS
DATE: March 12, 1998

ATTACHMENT A

GULF UTILITY COMPANY

TERRITORY DELETION

WATER SERVICE AREA

Section 8, Township 46 South, Range 25 East.

All of the West half (W-1/2) of the Southwest quarter (SW-1/4) of the Northeast quarter (NE-1/4).