

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

COMMISSION
CLERK

-M-E-M-O-R-A-N-D-U-M-

DATE: October 6, 2011

TO: Office of Commission Clerk (Cole)

FROM: Division of Economic Regulation (Walden) *AW PJO*
Office of the General Counsel (Klancke) *CKL JSC*

RE: Docket No. 100408-WS – Application for amendment of Certificate Nos. 387-W and 331-S to extend water and wastewater territory in Martin County by Indiantown Company, Inc.

AGENDA: 10/18/11 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Graham

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECR\WP\100408.RCM.DOC

Case Background

On December 9, 2010, Indiantown Company, Inc. (Indiantown) filed an application with the Commission to amend Certificate Nos. 387-W and 331-S to add territory in Martin County. Indiantown is a Class A utility providing water service to approximately 1,671 customers, and wastewater service to approximately 1,624 customers. The Utility's 2010 Annual report indicates operating revenues of \$2,080,045 and a net loss of \$137,879. The Utility plans to extend its service territory in order to provide water and wastewater service to approximately 313 customers within a planned development known as Tesoro Groves. The Commission has jurisdiction pursuant to Section 367.045, Florida Statutes (F.S.).

DOCUMENT NUMBER + DATE

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FPSC-COMMISSION CLERK

Discussion of Issues

Issue 1: Should the Commission approve Indiantown's application for amendment of Certificate Nos. 387-W and 331-S to extend its water and wastewater territory in Martin County?

Recommendation: Yes. The Commission should approve Indiantown's application for amendment of Certificate Nos. 387-W and 331-S to include territory as reflected in Attachment A. The resultant order should serve as Indiantown's amended certificate and should be retained by the Utility. Pursuant to Rule 25-9.044(1), Florida Administrative Code (F.A.C.), the Utility should charge the customers in the territory added herein the rates and charges contained in its current tariff until authorized to be changed by the Commission. (Walden)

Staff Analysis: On December 9, 2010, the Utility applied for an amendment of Certificate Nos. 387-W and 331-S in Martin County, Florida, to serve a planned development known as Tesoro Groves. The requested territory is adjacent to the Utility's existing service territory, and according to Indiantown, no other utility in the area is willing or capable of providing reasonably adequate service to the territory. The Utility has submitted an affidavit consistent with Section 367.045(2)(d), F.S., that it has tariffs and annual reports on file with the Commission.

The application is in compliance with the governing statute, Section 367.045, F.S., and other pertinent statutes and administrative rules concerning applications for amendment of certificate. The application contains proof of compliance with the noticing provisions in Rule 25-30.030, F.A.C. No objections were received and the time for such has expired. Adequate service territory and system maps were provided. Attachment A includes a legal description of the requested territory.

The new development, known as Tesoro Groves, will include 313 total lots, including multi-family units and single family residences. According to the application, the Martin County Comprehensive Plan has been amended to include the Tesoro Groves Primary Urban Service District. The new development will be connected to Indiantown's existing water and wastewater systems. The Utility's existing facilities have the necessary capacity for the expected customer growth, and therefore no plant additions or modifications are planned. The most recent site inspections performed by the Department of Environmental Protection indicate that the water and wastewater facilities are in good operating condition and that the Utility is in compliance with all applicable rules and regulations.

Based on the above information, staff recommends that it is in the public interest to approve the application by Indiantown to amend Certificate Nos. 387-W and 331-S to add the territory reflected in Attachment A. The resultant order should serve as Indiantown's amended certificates and should be retained by the Utility. Pursuant to Rule 25-9.044(1), F.A.C., the Utility should charge the customers in the territory added herein the rates and charges contained in the current tariff until authorized to be changed by the Commission in a subsequent proceeding.

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Issue 2: Should this docket be closed?

Recommendation: Yes, if staff's recommendation in Issue 1 is approved, no further action is required and the docket should be closed. (Klancke)

Staff Analysis: If Issue 1 is approved, no further action is required and the docket should be closed.

Indiantown Company, Inc.
Description of Water and Wastewater Territory to be Added
Tesoro Groves
Martin County, Florida

A tract or parcel of land located in Sections 1 and 12, Township 40 South, Range 38 East, Martin County, Florida which tract or parcel is described as follows:

Beginning at the northeast corner of said Section 12 thence run S 00° 01' 35" W along the east line of said section for 2,176.92 feet to an intersection with the north line of Tract 791 (5-8 Spillway); thence run N 82° 26' 58" W along said north line for 162.68 feet to the northwest corner of said Tract 791; thence run S 07° 33' 02" W along the west line of said Tract 791 for 397.22 feet to an intersection with the northerly right-of-way line of St. Lucie Canal (C-44); thence run N 82° 23' 16" W along said right-of-way line for 2,803.24 feet; thence departing said right-of-way line run N 00° 01' 35" E for 858.50 feet; thence run S 89° 59' 17" E for 792.00 feet; thence run N 00° 01' 35" E for 1,320.10 feet to an intersection with the north line of said Section 12; thence run S 89° 59' 17" E along said north line for 880.00 feet; thence departing said north line run N 00° 00' 43" E for 1,864.08 feet to an intersection with the southerly maintained right-of-way line of West Farm Road (right-of-way varies); thence run the following courses along said right-of-way line: S 68° 07' 47" E for 263.66 feet; S 79° 41' 39" E for 71.09 feet; S 88° 14' 11" E for 350.25 feet to the northwest corner of Lot 7, Clyde Martin Minor Plat as recorded in Plat Book 5 at Page 43, Public Records of Martin County, Florida; thence run S 00° 00' 58" E along the west line of said Lot 7 for 128.41 feet to the southwest corner of said Lot 7; thence run N 89° 14' 44" E along the south line of said Lot 7 and the south lines of Lots 6, 5, 4, 3, 2 and 1 of said Clyde Martin Minor Plat and the south line of lands as described in deed recorded in Official Record Book 477 at Page 1731, said public records for 561.25 feet to an intersection with the southwesterly line of said lands; thence run S 00° 00' 43" W along said southwesterly line for 330.03 feet to the southerly most southwest corner of said lands; thence run N 89° 14' 44" E along the southerly most line of said lands for 94.01 feet to an intersection with the east line of said Section 1; thence run S 00° 00' 43" W along said east line for 1,292.82 feet to the northeast corner of said Section 12 and the Point of Beginning. Containing 8,203,647 square feet (188.33 acres), more or less.

FLORIDA PUBLIC SERVICE COMMISSION
authorizes
Indiantown Company, Inc.
pursuant to
Certificate Number 387-W

to provide water service in Martin County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
11891	04/27/83	810037-WS (CR)	Grandfather
PSC-92-0116-FOF-WS	03/30/92	910726-WS	Amendment
PSC-97-1171-FOF-WS	10/01/97	970556-WS	Transfer of Majority Control
PSC-04-0967-FOF-WS	10/05/04	040497-WS	Amendment
PSC-10-0471-FOF-WS	07/26/10	100182-WS	Transfer of Majority Control
*	*	100408-WS	Amendment

*Order Number and date to be provided at time of issuance.

FLORIDA PUBLIC SERVICE COMMISSION
authorizes
Indiantown Company, Inc.
pursuant to
Certificate Number 331-S

to provide wastewater service in Martin County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
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