

MEMORANDUM

June 5, 1998

ORIGINAL

TO : DIVISION OF RECORDS AND REPORTING (BAYO)
FROM : DIVISION OF WATER AND WASTEWATER (REDEMANN) *RRB JMW*
RE : DOCKET NO. 980075-WS; APPLICATION FOR AMENDMENT OF
CERTIFICATES NOS. 580-W AND 500-S IN MARION AND SUMTER
COUNTIES BY LITTLE SUMTER UTILITY COMPANY.

Attached please find a letter from Mr. Martin S. Friedman to Ms. Billie Messer, which should be placed in the above docket file.

If you have any questions, please contact me.

ACK _____
AFA _____
APP _____
CAF _____
CMU _____
CTR _____
EAG _____
LEG _____
LIN _____
OPC _____
RCH _____
SE. 1 Attachment
WAS _____
OTH _____

C:\wp6\980075b.rpr

CC: Division of Water and Wastewater (Crouch)
Division of Legal Services (Vaccaro)
Division of Records and Reporting (Security File)

DOCUMENT NUMBER-DATE

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June 2, 1998

ROBERT M. C. ROSE
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VIA TELECOPY

Ms. Billie Messer
Division of Water and Wastewater
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

RECEIVED

JUN - 5 1998

Re: Little Sumter Utility Company
Our File No. 30059.01

Florida Public Service Commission
Division of Water and Wastewater

Dear Billie:

This letter is in response to your April 28, 1998 correspondence regarding the memorandum from the Department of Community Affairs in the above-referenced matter. Basically, the DCA is recommending in this case, and presumably in all other cases, that the Commission not grant any service area to a utility until the property has received a development order. This position is contrary to the long standing precedence of the Commission and will not work from a practical standpoint.

From a practical standpoint, in order to obtain a development order from the local government, it is going to be necessary to identify the provider of water and wastewater service to the proposed development. Obviously, if the provider of water and wastewater service is a private utility regulated by the Public Service Commission, then the developer cannot make representations regarding the appropriate entity until the PSC has taken the necessary action. It seems that DCA has created the proverbial "chicken or the egg" situation. Since the granting of the right to provide water and wastewater service to a particular property does not affect the local governments rights to regulate the development of land, the PSC action must precede the development order.

The Commission has never required that a specific development plan be adopted in order for a particular territory to be granted to a utility. See, for example, PSC Order Nos. PSC-92-0104-FOF-WU (East Central Florida Services, Inc.), PSC-96-1137-FOF-WS (South Broward Utilities, Inc.), and PSC-96-1281-FOF-SU (Alafaya Utilities, Inc.). Particularly apropos as the following comment

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from the Commission's decision in Resort Village Utility, Inc.'s certificate application in Order No. PSC-94-1524-POF-SU:

Concerns have been raised regarding the need for service in this area. Obviously, if Coastal Development gains approval to construct its proposed hotels, restaurants and shops on St. George Island, there will be a need for service. However, with the pending DOAH decision, DEP permitting process, and site specification approval by the Franklin County Commission, there is a great deal of uncertainty as to when and if the need for service will actually arise. DEP and the Franklin County Commission have not made their decisions regarding approval of the applicant's proposed plans at this point. However, as stated herein, these other proceedings do not impact upon our review of this application for a wastewater certificate.

If I can provide you any additional information regarding this issue, please do not hesitate to give me a call.

Very truly yours,



MARTIN S. FRIEDMAN
For The Firm

MSF/brm

cc: Mr. John Wise

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