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RECORDS AND REPORTING

December 28, 1998

ORIGINAL

HAND DELIVERY

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

Re: Docket No. 981637-WS

Dear Ms. Bayo:

Enclosed herewith for filing in the above-referenced docket on behalf of the JEA are the original and fifteen copies of the Objection of JEA to the Application of United Water Florida, Inc. for Amendment of Certificates 236-W and 179-S to Add Territory in St. Johns County and Demand for Formal Hearing.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely,

Kenneth A. Hoffman
Kenneth A. Hoffman

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
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Enclosures
cc: All Parties of Record
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FPSC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
14606 DEC 28 98
FPSC-RECORDS/REPORTING

Done 2/27/99

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of United Water)
Florida, Inc. for amendment of) Docket No. 981637-WS
water and wastewater certificates)
in St. Johns County, Florida.) Filed: December 28, 1998
)
)
_____)

OBJECTION OF JEA TO THE
APPLICATION OF UNITED WATER FLORIDA, INC.
FOR AMENDMENT OF CERTIFICATES 236-W
AND 179-S TO ADD TERRITORY IN ST. JOHNS
COUNTY AND DEMAND FOR FORMAL HEARING

JEA, formerly known as the Jacksonville Electric Authority, by and through its undersigned counsel, and pursuant to Sections 120.569, 120.57 and 367.045, Florida Statutes, and Rule 28-106.201(2), Florida Administrative Code, hereby files this Objection to the Application of United Water Florida, Inc. ("United") for amendment of Certificate Nos. 236-W and 179-S to add territory in St. Johns County, Florida and demands a formal hearing. In support of its Objection, JEA states as follows:

1. The name and address of the objecting party is:

JEA
21 West Church Street
Jacksonville, FL 32202-3139

2. The name and address of the person authorized to receive notices, pleadings, orders and other documents on behalf of the JEA is:

DOCUMENT NUMBER-DATE

14606 DEC 28 88

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3. The JEA provides electric service in Duval, Clay, St. Johns and Nassau Counties. The JEA also provides water and wastewater services in Duval and Clay Counties. The JEA provides water service to over 175,000 customers and wastewater service to over 131,000 customers.

4. On November 17, 1998, United filed an Application to extend its water and wastewater service areas in St. Johns County, Florida.

5. The substantial interests of JEA are affected by this Application because JEA has been requested to provide water and wastewater services to a proposed development included within the area which is the subject of United's Application. The developer contemplates development of a 600 unit subdivision in the territory at issue. JEA's existing water and wastewater facilities are closer to the proposed development than the facilities of United or any other utility. JEA is authorized and desires to provide water and wastewater services to the development and maintains that it would be the least cost provider of such services. JEA has the technical ability and financial resources to provide high quality, safe, sufficient and efficient water and wastewater services to the proposed development. In addition, service by JEA is the desire of the developer and would provide consumers of water and wastewater services with rates lower than those charged by United.

6. The disputed issues of material fact known at this time include, but are not limited to, the following:

- a. Whether there is a need for service in the territory proposed for service by United.
- b. Whether United has the technical ability to serve the disputed territory.
- c. Whether United has the financial ability to serve the disputed territory, particularly in light of the fact that it will cost substantially more to extend the facilities of United to serve the proposed territory than it will cost JEA to provide the same service.
- d. Whether United has sufficient water and wastewater capacity to serve the disputed territory, or even the buildout needs of its existing territory.
- e. Whether JEA can provide service to the disputed territory at a lower overall cost.
- f. What is the effect on rates and capital structure of the proposed extension of service by United to the proposed territories?
- g. Whether customers or developers in the territory desire service by United, JEA or some other utility?

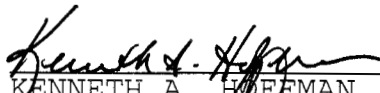
- h. Whether customers in the territory will receive services at lower rates from United, JEA or some other utility?
 - i. Whether it is in the public interest for United to serve the disputed territory.
- 7. The following ultimate facts are alleged:
 - a. The Application proposes to add territory to the Certificate of United including an area in which JEA has been requested to and intends to provide water and wastewater services.
 - b. The Application proposes to add territory to an already extremely large service area for this United system in which less than 200 customers are currently served and which is many miles from the existing treatment facilities.
 - c. The Application of United, and the substantial resulting additions to distribution and collection as well as treatment facilities, will substantially affect both the rates and capital structure of United and, therefore, its customers.
 - d. JEA has water and wastewater lines and facilities currently in place to provide water distribution and wastewater collection that are closer to the proposed area and extension of these facilities will be less costly and more efficient than those required for service by United.

- e. JEA can provide water and wastewater service to the disputed territory at lower rates and more efficiently than can United.
- f. JEA has sufficient water supply and wastewater capacity to serve the disputed territory, whereas United does not have sufficient capacity.
- g. It is not in the public interest for United to serve the disputed territory.
- h. It is in the public interest for JEA to serve the disputed territory.

8. JEA is entitled to the relief it seeks pursuant to Section 367.045, Florida Statutes, and Commission orders and case law relevant to the disposition of water and wastewater territorial disputes.

WHEREFORE, JEA requests that the Commission hold an administrative hearing on the Application of United Florida Water, Inc., and JEA's objection, and deny United's Application for amendment of territory to the extent it include water and wastewater service areas in which JEA has been requested to provide and intends to provide waste and wastewater services.

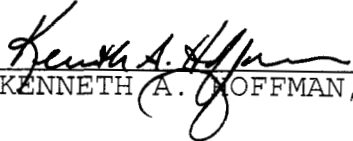
Respectfully submitted this
28th day of December, 1998, by:



KENNETH A. HOFFMAN, ESQ.
RUTLEDGE, ECENIA, UNDERWOOD, PURNELL
& HOFFMAN, P.A.
P. O. Box 551
Tallahassee, Florida 32302-0551
(850) 681-6788

CERTIFICATE OF SERVICE

I HEREBY certify that a copy of the foregoing was furnished by U.S. Mail to Scott Schildberg, Esquire, Martin, Ade, Birchfield & Mickler, P.A., 3000 Independent Square, Jacksonville, Florida 32202; F. Marshall Deterding, Esquire, Rose, Sundstrom, & Bentley, LLP, 2548 Blairstone Pines Drive, Tallahassee, Florida 32301; and via Hand Delivery to Roseanne Gervasi, Esquire, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0873 this 28th day of December, 1998.


KENNETH A. HOFFMAN, ESQ.

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