J. TERRY DEASON, CHAIRMAN

DIVISION OF LEGAL SERVICES NOREEN S. DAVIS DIRECTOR (850) 413-6199

Public Service Commission

August 15, 2000

Mr. Ben Johnson 2252 Killearn Center Blvd., Suite 2D Tallahassee, Florida 32308-3573

Docket No. 931111-SU - Application for certificate to operate wastewater utility in Franklin Re: County by Resort Village Utility, Inc.

Docket No. 991812-SU - Application for transfer of Certificate No. 492-S in Franklin County from Resort Village Utility, Inc. to SGI Utility, LLC

Dear Mr. Johnson:

Commissioners:

LILA A. JABER

E. LEON JACOBS, JR.

Section 367.111, Florida Statutes, provides that each utility shall provide service to the area described in its certificate of authorization within a reasonable time. The statute also states that if utility service has not been provided to any part of the area which a utility is authorized to serve, whether or not there has been a demand for such service, within 5 years after the date of authorization for service to such part, such authorization may be reviewed and amended or revoked by the Commission.

By Order No. PSC-94-1524-FOF-SU, issued December 12, 1994, Resort Village Utility, Inc.'s (Resort Village or utility) was granted Certificate No. 492-S, authorizing the utility to provide wastewater service to a designated service area in Franklin County. That Order also provided that, upon final approval of the development, the utility shall file revised data reflecting the actual development plans and a revised service availability policy with a provision for the collection of guaranteed revenues, and shall include guaranteed revenue agreements in its filing. To date, the required information has not been filed with the Commission.

Instead, on December 3, 1999, a subsequent application was filed for the transfer of Certificate No. 492-S from Resort Village to SGI Utility, LLC (SGI).

Upon review of the Resort Village's certificate and transfer dockets referenced above, there appears to be a need for additional information as a result of the utility's apparent failure to provide

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service to the area described in its certificate of authorization within 5 years after the date of authorization for service.

Staff therefore requests that the utility identify the reason(s) that service has not been provided consistent with the requirements of Section 367.111, Florida Statutes, and provide a statement as to why Resort Village's certificate of authorization should not be reviewed, amended or revoked by the Commission for apparent violation of Section 367.111, Florida Statutes.

In order to allow sufficient time for Staff to analyze the information requested, please provide the requested responses by September 15, 2000. If you have any questions, please do not hesitate to contact me at (904) 413-6228.

Sincerely,

Jennifer Brubaker, Senior Attorney

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Division of Legal Services

JSB:lw

cc: Division of Records and Reporting

Division of Regulatory Oversight (Johnson)

Mr. Dennis Boyle