

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for amendment of Certificate No. 104-S to extend service territory in Pasco County by Hudson Utilities, Inc., and request for limited proceeding.

DOCKET NO. 981079-SU
ORDER NO. PSC-00-1512-PCO-SU
ISSUED: August 21, 2000

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
E. LEON JACOBS, JR.
LILA A. JABER

ORDER GRANTING MOTION FOR SECOND EXTENSION OF TIME TO
FILE PROOF OF TRANSFER OF TERRITORY

BY THE COMMISSION:

BACKGROUND

Hudson Utilities, Inc. (Hudson or utility) is a Class B utility serving approximately 1,468 residential and 87 commercial customers. The utility provides wastewater collection service to its customers and contracts with Pasco County (County) for wastewater treatment service pursuant to a Bulk Wastewater Treatment Agreement (Agreement).

On August 26, 1998, Hudson filed an application for amendment of Certificate No. 104-S to extend its service area. The application included a request to serve a portion of territory, known as Signal Cove, that was being served by the County.

Signal Cove is adjacent to the southern boundary of a portion of territory served by Hudson. The community includes 382 existing buildings, of which 131 are currently receiving wastewater service from the County. The remaining buildings in the community are on septic tanks. Signal Cove is located in an area which has been federally designated as a flood plain area unsuitable for the efficient use of septic tanks and drain fields. The comprehensive land use plan adopted by the County calls for coastal areas,

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including Signal Cove, to be provided with sanitary sewer collection and treatment systems. However, the County generally does not construct gravity sewer collection systems. Thus, pursuant to an Addendum to the Agreement included in the application, the County and Hudson agreed that the Signal Cove territory would be transferred from the County to Hudson.

To serve Signal Cove, Hudson must construct an additional collection system and force main. Pursuant to the Addendum to the Agreement, the transfer of the Signal Cove territory will close when Hudson connects its force main to the County's wastewater collection system currently serving the 131 Signal Cove customers.

By Order No. PSC-99-1916-PAA-SU, issued September 27, 1999, in this docket, which was made final and effective by Order No. PSC-99-2082-CO-SU, issued on October 21, 1999, we approved Hudson's application to amend its certificate of authorization, including the transfer of the Signal Cove territory from the County to Hudson. Pursuant to Order No. PSC-99-1916-PAA-SU, Hudson was ordered to file proof of the transfer of the Signal Cove territory from the County to Hudson within three months from the issuance date of the Order.

On December 9, 1999, Hudson filed a Motion for Extension of Time to File Proof of Transfer of Territory. By Order No. PSC-00-0212-FOF-SU, issued February 2, 2000, we granted the utility's motion and allowed the utility an additional six months, until June 27, 2000, to file proof of the transfer of the Signal Cove territory from the County to Hudson.

MOTION FOR SECOND EXTENSION OF TIME

On June 27, 2000, Hudson filed a Motion for Second Extension of Time to File Proof of Transfer of Territory. In support of its motion, Hudson states that a series of increases in interest rates since February 2000 have prevented the utility from concluding negotiations for acceptable commercial financing for the construction work needed to extend its service to Signal Cove. Further, it states that Hudson still plans to construct the necessary facilities and to connect the existing Signal Cove customers to these facilities upon completion of the construction. Moreover, it states that "neither Pasco County nor the Signal Cove Homeowners Association has expressed any objection to Hudson's plans to continue to seek acceptable commercial financing for the construction, and no other utility has offered or has requested

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authorization to provide service to the Signal Cove subdivision." Hudson asserts that it will continue its efforts to obtain acceptable commercial financing for the construction of the Signal Cove facilities. However, the utility states that it does not expect that acceptable financing will be secured in less than six months. Thus, Hudson requests that we extend the time for filing the proof of territory transfer until June 30, 2001, to allow Hudson to "continue its efforts to secure acceptable commercial financing for the necessary construction work or to explore other possible avenues for financing the construction."

Hudson's motion is reasonable and it is hereby granted. As noted above, there are no customers in the territory at issue who are without sewer service. As requested in its motion, the utility shall be allowed until June 30, 2001, to file proof of the transfer of the Signal Cove territory from the County to Hudson.

This docket shall remain open to allow our staff to verify that Hudson has filed proof of the transfer of the Signal Cove territory from the County to the utility. Once our staff has verified this information, this docket shall be closed administratively.

Based on the foregoing, it is

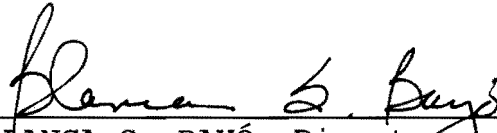
ORDERED by the Florida Public Service Commission that Hudson Utilities, Inc.'s Motion for Second Extension of Time to File Proof of Transfer of Territory is hereby approved. It is further

ORDERED that Hudson Utilities, Inc., shall be allowed until June 30, 2001, to file proof of the transfer of the Signal Cove territory from Pasco County to the utility. It is further

ORDERED that this docket shall remain open to allow Commission staff to verify that Hudson Utilities, Inc., has filed proof of the transfer of the Signal Cove territory from Pasco County to the utility. Once Commission staff has verified this information, this docket shall be closed administratively.

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By ORDER of the Florida Public Service Commission this 21st
day of August, 21st.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.