

REQUEST TO ESTABLISH DOCKET

(Please type or print. File original *plus* 1 copy with CLK.)

RECEIVED-FPSC

Date: 3/18/2011 Docket No.: 110070-WS 11 MAR 18 PM : 53

1. From Division / Staff: Division of Economic Regulation / Martha Golden

COMMISSION
CLERK

2. OPR: ECR

3. OCR: GCL

4. Suggested Docket Title: Notice of abandonment of water and wastewater systems in St. Johns County by Orangedale Utilities, Inc.

5. Program/Module/Submodule Assignment: B1h (Service Reg/Certification/Abandonment)

6. Suggested Docket Mail List.

a. Provide NAMES/ACRONYMS, if registered company. Provided as an Attachment

Company Code, if applicable:	Parties (include address, if different from MCD):	Representatives (name and address):
WS935	Orangedale Utilities, Inc. (address in MCD)	Jon B. Stump

b. Provide COMPLETE NAME AND ADDRESS for all others. (match representatives to companies)

Company Code, if applicable:	Interested persons, if any, (include address, if different from MCD):	Representatives (name and address):
	Clerk of Court, St. Johns County (address in MCD 55)	
	County Attorney, St. Johns County (address attached)	Patrick McCormack
	St. Johns County Utility Department (address attached)	Bill Young

7. Check one: Supporting Documentation Attached To be provided with Recommendation

Comments: (1) Mr. Stump's current e-mail address is hdwrrh@yahoo.com, (2) Please provide copies of all docket information to the three interested parties listed above.

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DOCUMENT NUMBER-DATE

01821 MAR 18 =

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Interested Parties Address List:

Mr. Patrick McCormack, County Attorney
St. Johns County Board of County Commissioners
500 San Sebastian View
St. Augustine, Florida 32084
Telephone: (904) 209-0808

Mr. Bill Young, Utilities Director
St. Johns County Utility Department
P. O. Box 3006
St. Augustine, Florida 32085
Telephone: (904) 209-2700

Mr. Marshall Willis
Director - Division of Economic Regulation
Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

March 12, 2011

Notice of Abandonment

Mr. Willis,

Pursuant to the requirement of Section 367.165, Florida Statutes as detailed in Rule 25-30.090 Abandonments;

(a and b) The following businesses hereby notify the Public Service Commission of their intent to Abandon the following on May 11, 2011:

Orangedale Utilities, Inc. (Operating under a recently issued Grandfather Certificate)
528 Majestic Oak Parkway
St. Augustine, FL 32092
St. Johns County, Florida

Contact - Jon B. Stump, President
524 Majestic Oak Parkway
St. Augustine, Florida 32092
(904) 509-2417

The Vinyard MHP Utilities Facilities (Owner and Permits Holder via Fl. DEP)
524 Majestic Oak Parkway
St. Augustine, FL 32092
St. Johns County, Florida

Contact - Jon B. Stump, Owner
524 Majestic Oak Parkway
St. Augustine, Florida 32092
(904) 509-2417

(c) The location of the Utilities' Books and Records is:

524 Majestic Oak Parkway
St. Augustine, Florida 32092
(904) 509-2417

(d) The Date of this Notice is: March 12, 2011

(e) The date the Utility will be Abandoned: May 11, 2011 (60 – Days from Notice)
Page 2 Notice of Abandonment Orangedale Utilities, Inc / Vinyard MHP

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(f) The Water System, The Wastewater System and Sewage Lift Station are all to be Abandoned.

(g) The reason for Abandonment is financial:

- 1/ Our Systems were Exempt under St. Johns County Jurisdiction (under 100 Service Connections- 93). We operated at near break-even and never collected Regulatory Assessment Fees.
- 2/ In Fall 2008 OUI installed water meters to reduce waste and fairly charge for services based on usage. We advised our customers that our rate would be based on the published rates of St. Johns County Utilities plus 10% because our small, out-lying utility could not operate as efficiently as larger systems. Installation was completed in December 2008 and billing based on metered consumption was scheduled to begin in April after our customers (mostly retired) were made aware of the change in costs and given an opportunity to make repairs or change usage habits.
- 3/ January 1, 2009 OUI began charging customers who couldn't pay for their meter in Full, the first of 36 installments to purchase their meter.
- 4/ January 16, 2009 St. Johns County transferred jurisdiction to Florida Public Service Commission. OUI did not receive any correspondence, e-mail or phone message advising us of this change from either St. Johns County or The PSC regarding the transfer even though we were one of the less than 5 small unregulated utilities operating in this jurisdiction who would be impacted by this transfer.
- 5/ Mid March 2009 PSC notified OUI by mail of the change in jurisdiction and was ordered to freeze our rates and charges which went into in effect on January 1, 2009.

Over the past 25 months since that letter we have received no authorization from the PSC to either begin passing through the 4.5% Regulatory Assessment Fee to our customers or begin charging for our services based on metered usage.

And yet, Orangedale Utilities, Inc. was required by the PSC that our 2009 Regulatory assessment Fee of more than \$2,600.00 had to be paid on time in 2010.

This Fee was paid out of my pocket and drove our budget, which was already operating at a loss, into a tail spin.

- 6/ We were not informed that our system was not considered exempt until August 2009.
- 7/ We were not informed of our responsibility to collect RAF's until August 2009.
- 8/ Orangedale Utilities, Inc. was placed under demand to expedite an application for A Grandfather Certificate and compile Tariffs for both the Water and Sewer Services By a PSC required due date or face penalties. We complied. Once again, these costs were above and beyond our budget.

- 9/ January 2010 OUI received a packet from PSC which included information Regarding our ability to apply for the right to pass-thru the RAF fees and our right to Apply for Staff Assisted Rate Assistance. This was one year after the fact.
 - 10/ OUI called the PSC regarding these Applications and was informed that these applications and services would become available AFTER a Grandfather Certificate had been issued.
 - 11/ OUI received our Certificate later in 2010 and was told that these services would become available AFTER my accounting was set-up according to the Uniform System of Utility Bookkeeping. At my cost.
 - 12/ Now, after more than two years, my funds have been depleted by paying fees I have never been authorized to pass-thru to my customers, by generating Certificate Costs, by generating Tariffs and now, I'm being required to submit our 2010 Annual Report and become responsible for another \$2,600.00 in RAF's.
 - 13/ I can no longer operate at a loss and can see no way of ever recovering.
- (h) Our systems are operating under current permits issued by Florida DEP/NE and have no outstanding violations.

Mr. Willis,

We have been in conversation with St. Johns County for more than two three months and offered our facilities to the County on the basis of a Soft Transfer (no cash) More than two months ago.

The County has expressed the fact that they do not wish to take over such a small, remote system and last week offered to contact the PSC on my behalf, in an attempt to resolve issues and hopefully allow me to keep the utilities. As an optimist, I sincerely hope we can come to terms and will gladly void this Notice of Abandonment should something work out in everyone's best interest.

Sincerely,

Jon B. Stump, President - Orangedale Utilities, Inc./ Owner -- Vinyard MHP

Cc: P. Daniels, C. Kummer at PSC
Bill Young, Utilities Director St Johns County