

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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|---------------------------------------|---|----------------------|
| In re: Application of LAKE TARPON |) | DOCKET NO. 890854-WU |
| HOMES, INC. for transfer of majority |) | |
| organizational control of Certificate |) | ORDER NO. 21981 |
| 204-W from C. I. LARSON to RONALD D. |) | |
| KIMBALL ENTERPRISES, INC. in Pinellas |) | ISSUED: 10-2-89 |
| County. |) | |
| |) | |

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 JOHN T. HERNDON

ORDER APPROVING TRANSFER

BY THE COMMISSION:

BACKGROUND

This Commission granted water and sewer service certificates to Lake Tarpon Mobile Homes, Inc. (Lake Tarpon or utility) on January 6, 1975, by Order No. 6437. On October 15, 1977, by Order No. 7998, the Commission cancelled the utility's sewer certificate because the utility discontinued use of its sewage treatment facility and connected to the Pinellas County system.

On February 25, 1977, C. I. Larson and Ronald D. Kimball Enterprises, Inc. entered into a stock purchase agreement. This transaction was never approved by this Commission and was not discovered until the utility filed for a staff-assisted rate case. After being advised that it was in violation of Section 367.071(1), Florida Statutes, and Rule 25-30.040, Florida Administrative Code, the utility promptly filed its application for transfer of majority organizational control.

APPLICATION

Since the utility promptly filed its application after being made aware of its violation and responded adequately, we will not initiate a show cause proceeding. In addition to its notarized application, which is otherwise in compliance with

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Section 367.071, Florida Statutes, and other pertinent statutes and administrative rules concerning application for transfer, Lake Tarpon has submitted:

- a) A check in the amount of \$900 which, upon calculation, equates to the correct filing fee as prescribed by Section 367.141, Florida Statutes.
- b) An adequate legal description pursuant to Rule 25-30.035, Florida Administrative Code.
- c) Proof of notice to all interested governmental/regulatory agencies and to all utilities within a four-mile radius of the territory to be served, and proof of advertisement in a newspaper of general circulation in the county, as prescribed by Rule 25-30.030, Florida Administrative Code.

No objections to the requested transfer have been received and the time for filing such has expired.

Ronald D. Kimball Enterprises, Inc., has been operating Lake Tarpon since 1977, and has therefore gained the technical experience necessary to operate the utility. The water treatment facilities in the distribution system were operating properly at the time of this Commission's plant site inspections. The utility's 1988 balance sheet reveals capital in the amount of \$35,293. Since the applicant has sufficient technical and financial ability, as demonstrated by his operating this system for the past twelve years, we believe that the transfer is in the public interest and is therefore approved.

RATE BASE

The sale of common stock of Lake Tarpon from C. I. Larson to Ronald D. Kimball Enterprises, Inc. does not alter the utility's assets and liability accounts. Accordingly, this transfer of stock ownership does not change the rate base balance. Thus, it is not necessary to establish rate base for purpose of this transfer. Further, rate base will be established in Lake Tarpon's staff-assisted rate case which is scheduled for decision at our October 17, 1989 agenda conference.

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RATES

Pursuant to Rule 25-9.044(1), Florida Administrative Code, when a regulated utility is transferred, the new owner is required to adopt and use the rates and charges previously approved for the former owner, unless authorized to change by this Commission. Therefore, Ronald D. Kimball Enterprises, Inc. is directed to continue charging the existing rates and charges of Lake Tarpon until different rates are approved by this Commission in a subsequent proceeding. Further, Ronald D. Kimball Enterprises, Inc. is directed to file appropriate tariff sheets, reflecting the existing rates and charges and the new issuing officer's name and title.

It is, therefore,

ORDERED by the Florida Public Service Commission that the transfer of majority organizational control of Lake Tarpon Homes, Inc., 3434 U.S. Highway 19 North, Palm Harbor, Florida 34684, from C. I. Larson to Ronald D. Kimball Enterprises, Inc., 43 Village Way, Palm Harbor, Florida 34684, is hereby approved. It is further

ORDERED that Ronald D. Kimball Enterprises, Inc. shall continue to charge the rates and charges previously approved for customers of Lake Tarpon Mobile Homes, Inc., as set forth in the body of this Order. It is further

ORDERED that Ronald D. Kimball Enterprises, Inc. shall file revised tariff sheets reflecting the rates and charges previously approved for Lake Tarpon Mobile Homes, Inc. and the new issuing officer's name and title. The tariff sheet shall be filed within thirty days of the date of this Order. It is further

ORDERED that Docket No. 890854-WU is hereby closed.

By ORDER of the Florida Public Service Commission
 this 2nd day of October, 1989


 STEVE TRIBBLE, 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 120.59(4), 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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) 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 sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.