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DIVISION OF WATER &  
WASTEWATER  
CHARLES HILL  
DIRECTOR  
(904) 413-6900

# Public Service Commission

August 10, 1997

FILE 01

Mr. J. Ray Keen  
Keen Sales and Rentals, Inc.  
685 Dyson Road  
Haines City, Florida 33844

RE: Docket No. 970201-WU, Application for transfer of facilities of Lake Region Paradise Island and amendment of Certificate No. 582-W in Polk County by Keen Sales & Rentals, Inc.

Dear Mr. Keen:

Staff has reviewed the utility's application for transfer of facilities and determined that it is deficient pursuant to Rules 25-30.030 and 25-30.037, Florida Administrative Code. The following deficiencies have been noted:

- Notice of Application.** Rule 25-30.030, Florida Administrative Code (F.A.C.), sets forth the requirements for providing notice of the application. The notice contained in the application is not in the correct format, therefore, the utility will be required to renotice. We have attached a sample notice for your reference. The notice must contain a description of the utility's service territory. Please see No. 8 below for information regarding the correct format for the territory description. **Please submit a corrected notice for our approval prior to sending the notice.** We have attached a new list of the utilities and governmental/regulatory agencies that must be notified. Please note the expiration date on the list.

Additionally, after the corrected notice is sent, the utility is required to provide affidavits that the notice was sent in accordance with this rule. Pursuant to Rule 25-30.030(8), F.A.C., the affidavits must include a copy of the notices and a list of the entities to whom the notice was sent. We have attached sample affidavits for notice to the customers and utilities/agencies for your reference.

In the event the territory description that was used in the notice that was published in the Polk County Democrat represents the utility's correct service territory, the utility will not be required to publish a new notice in the newspaper or submit a new affidavit for the newspaper notice.

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CCR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCR \_\_\_\_\_
- SEC 1 \_\_\_\_\_
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

DOCUMENT NUMBER - DATE  
08466 AUG 21 97  
FPSC-RECORDS/REPORTING

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2. **Seller's Name and Address.** Rule 25-30.037(2)(a), F.A.C., requires the complete name and address of the seller. Please provide the complete name and address of the prior owners of the utility.
3. **Regulatory Assessment Fees.** Rule 25-30.037(2)(r), F.A.C., requires a statement regarding the disposition of any outstanding regulatory assessment fees, fines, or refunds owed. The utility will be required to pay regulatory assessment fees for the Paradise Island water system from the jurisdictional date of May 14, 1996. Please indicate who will be responsible for paying the utility's 1996 regulatory assessment fees (i.e., the buyer or the seller.)

In addition to the above noted deficiencies, we will need the following additional information in order to process the utility's application for transfer of facilities. Because the prior owners did not file an application for a grandfather certificate prior to selling the system, we do not have any records for this utility system. Please provide the following additional information regarding the Paradise Island water system, as required by Rule 25-30.035, F.A.C.:

1. The utility's complete name and address.
2. The nature of the utility's business organization, i.e., corporation, partnership, limited partnership, sole proprietorship, association, etc.
3. The name(s) and address(es) of all corporate officers, directors, partners, or any other person(s) owning an interest in the utility prior to the sale.
4. The date the utility was established.
5. A description of the types of customers served, i.e., single family homes, mobile homes, duplexes, golf course clubhouse, commercial, etc.
6. A schedule showing the number of customers currently served, by class and meter size, as well as the number of customers projected to be served when the requested service territory is fully occupied.
7. A. A statement specifying on what date and under what authority the current rates and charges were established. Also, please provide documentation showing the utility's approved rates, such as a copy of the County's order(s) which approved the utility's rates and charges, or billing records prior to May 14, 1996.  
B. Rule 25-9.044(1), F.A.C., states that in cases of change of ownership or control of a utility which places the operation under a different or new utility...the

company which will thereafter operate the utility business must adopt and use the rates, classifications and regulations of the former operating company (unless authorized to change by the Commission.) If the rates and charges contained in the proposed tariff filed with the transfer application are different from the rates previously approved by the County, please explain why Keen Sales and Rentals is proposing to change the rates and/or charges.

8. A description, using township, range, and section references as specified in Rule 25-30.030(2), of the territory the utility was serving, or was authorized to serve by the county which had jurisdiction over the utility on the day Chapter 367, Florida Statutes, became applicable to the utility. According to utility's franchise agreement from Polk County, the County approved the following service territory for Paradise Island on February 2, 1960:

All of LAKE REGION PARADISE ISLAND, as shown by Map or Plat thereof, recorded in the Public Records of Polk County, Florida, in Plat Book 44, Pages 4 and 5.

Please provide a new description of this territory, using township, range, and section references as specified by Rule 25-30.030(2), F.A.C. We have attached instructions for the preparation of the new territory description, along with a copy of the original franchise agreement for your reference.

9. One copy of a detailed system map showing the lines, treatment facilities and the territory to be served. Any territory not served at the time of the application shall be specifically identified, and the map shall be of sufficient scale and detail to enable correlation with the description of the territory to be served.
10. One copy of the official county tax assessment map, or other map showing township, range, and section, with a scale such as 1" = 200' or 1" = 400', with the proposed territory plotted thereon by use of metes and bounds or quarter sections, and with a defined reference point of beginning.
11. The numbers and dates of any permits issued for the system(s) by the Department of Environmental Protection.
12. Section 367.071(1), Florida Statutes, requires that utilities regulated by the Commission obtain approval from the Commission prior to selling their facilities. Please explain why Keen Sales & Rentals purchased the Paradise Island water system prior to obtaining approval from the Commission.

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Please provide one copy of the maps, and the original and five copies of the remaining requested information no later than November 21, 1997 with Ms. Blanca Bayo, Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850. If you have questions regarding the territory description, please call Richard Redemann at (850)413-6999. Also, please feel free to call me at (850)413-7015 if you have any other questions.

Sincerely,



Martha A. Golden  
Economic Analyst

/MAG

Attachment

cc: Division of Water and Wastewater (Hill, Williams, Messer, Redemann)  
Division of Legal Services (Jaber, Crosby)  
Division of Records and Reporting