



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: July 1, 2002

TO: Division of the Commission Clerk and Administrative Services

FROM: Patricia Brady, Division of Economic Regulation *PB*

RE: Docket No. 020484-WS - Application for transfer of facilities and Certificates Nos. 616-W and 530-S from Labrador Services, Inc. to Labrador Utilities, Inc. in Pasco County.

Please add to the docket file the attached letter dated June 18, 2002, from Patti Daniel, Commission staff, to Martin S. Friedman, Esquire. The letter details additional information needed to complete and process the application. Reply requested by July 18, 2002.

Attachment:

- cc: Division of Economic Regulation (Brady, Rieger, Bass)
- Division of Auditing and Safety (Vandiver)
- Office of the General Counsel (Brubaker)
- Division of the Commission Clerk and Administrative Services (Security File)

DOCUMENT NUMBER-DATE

06803 JUL-18

FPSC-COMMISSION CLERK

STATE OF FLORIDA

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TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

June 18, 2002

Martin S. Friedman, Esquire
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Re: Docket No. 02484-WS, Application for Transfer of facilities and Certificates Nos. 616-W and 530-S from Labrador Services, Inc. to Labrador Utilities, Inc. in Pasco County.

Dear Mr. Friedman:

Staff has preliminarily reviewed the above referenced docket and found it to be essentially complete. However, the Utility Company Asset Purchase Agreement (Contract) is missing several exhibits. In addition, there are several items needing additional information or clarification.

DEFICIENCIES:

1. Contract. Rule 25-30.037(2)(g). Florida Administrative Code, requires a copy of the contract and all auxiliary or supplemental documents. Exhibit 2 to the Contract, is described as a detailed list of the seller's facilities showing approximate estimated installation or construction costs and current depreciable tax basis. Exhibits 2, 3 and 4, were to have been completed during the inspection period which was to have been concluded 30 days after the execution of the Contract on March 15, 2002.

Please furnish all exhibits to the Contract as soon as possible. If the exhibits are not yet completed, please indicate when they are anticipated to be late-filed.

ADDITIONAL INFORMATION AND CLARIFICATION

2. Seller. The application indicates that the wife of Mr. Henri Viau is the liquidator for the estate of Mr. Viau. It was staff's understanding that the daughter of Mr. Viau, Dame Sylvia Viau, had been appointed liquidator. Please verify which individual is the authorized liquidator.

3. Books and Records. While the application indicates that the utility's books and records are available for inspection by the Commission, it does not indicate where the records are located. Please indicate where the books and records will be available for inspection and the name and phone number for the contact.
4. Lease. Please provide a copy of the recorded assignment of lease as soon as it is available.
5. Right of First Refusal. The Contract indicates that the Forest Lake Estates Co-Op, Inc. (Co-Op) has the first right of refusal. While the Contract indicates that the Co-Op would be notified within 3 days of the execution of the Contract, it does not indicate how long the Co-Op has to exercise its option to purchase the utility. Please clarify the status of the Co-Op's option to purchase.
6. Rates and Charges. While meters are installed, the utility has not yet come in for the establishment of base facility/gallongage rate structure. Please indicate what the buyer's intentions are with respect to the continuation of the utility's flat rate structure.

Since much of the above information is necessary for the audit request, please respond as soon as practicable, but no later than July 18, 2002. Any response should be filed in triplicate directly with the Director, Division of Commission Clerk and Administrative Services. If you have any questions about the information requested, please contact Patricia Brady at (850) 413-6686 or Jennifer Brubaker, Esq., at (850) 413-6228.

Sincerely,



Patti Daniel
Supervisor of Certification

PD:pb

cc: Division of Economic Regulation (Brady, Rieger, Bass)
Division of Auditing and Safety (Vandiver)
Office of the General Counsel (Brubaker)