



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: October 14, 2002
TO: Office of the General Counsel (Crosby)
FROM: Division of Economic Regulation (Johnson)
RE: Docket No. 020695-WS: Application for Name Change on Certificate No. 465-S in Lake County Pursuant to the Merger of Lake Groves Utilities, Inc. with Lake Utility Services, Inc., Holder of Certificate No. 496-W, and Request for Cancellation of Certificate No. 534-W Held by Lake Groves.

On July 11, 2002, Lake Groves Utilities, Inc., (Lake Groves) filed an application to request approval of a name change and acknowledgment of its corporate merger. The complete name, address, and type of business entity of the certificated utility is Lake Groves Utilities, Inc., 200 Weathersfield Avenue, Altamonte Springs, Florida 32714, a Florida Corporation. Lake Groves holds Certificates Nos. 534-W and 465-S, while Lake Utility Services, Inc. holds Certificate No. 496-W. As a result of the merger, Certificate 496-W held by Lake Utility Services, Inc. will be amended to include the Lake Groves service area and Certificate No. 534-W, held by Lake Groves, will be cancelled. Certificate No. 465-S will be amended to reflect the merger of Lake Groves into Lake Utility Services, Inc., a Florida Corporation.

The application was filed pursuant to Section 367.1214, Florida Statutes and Rule 25-30.039, Florida Administrative Code, which provides for changes in name only, with no change in the ownership or control of the utility or its assets. An authorized representative of Lake Utility Services, Inc. provided a signed statement that the ownership and control of the utility and its assets will not change under the proposed name change.

The application states that both before and after the name change and the merger, the utilities are 100% owned by Utilities, Inc., there is no change in ownership or majority organizational control, and the utility remains under the control of Utilities, Inc.

The merger was approved by the shareholders on June 7, 2002 and the effective date was June 24, 2002. Subsequent to the merger, Lake Groves Utilities, Inc., became an inactive corporation with the Florida Department of State, Division of Corporations and Lake Utility Services, Inc., became the surviving corporation. Utilities, Inc., is the owner and registered agent for Lake Utility Services, Inc. According to the company's representative no money is being paid by, to, or among any of the parties as a result of this merger. The offices, management and all personnel of the utility will remain unchanged. Further, there will be no change in the operations or level of service.

A copy of the proposed notice to be sent to the customers of the utility informing them of the change in the utility name was included with the petition, as well as an original and two copies of the proposed water tariffs reflecting the name change. Staff has verified that there are no substantive changes in the tariffs other than the proposed name change.

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Section 2.07(C)(2) of the Administrative Procedure's Manual grants the Director of the Division of the Commission Clerk and Administrative Services, in coordination with the appropriate industry division and the Office of the General Counsel, authority to approve change of names and corporate mergers of regulated utilities, where no change of ownership or control or transfer of assets is involved. Staff recommends that the request for the name change is in compliance with the provisions of Section 367.1214, Florida Statutes and Rule 25-30.039, Florida Administrative Code. An administrative order should be issued within 30 days approving the amendment of Certificate No. 496-W, to include the Lake Groves approved service territory, the cancellation of Certificate No. 534-W, and the change of the name on Certificate No. 465-S to Lake Utility Services, Inc. The utility should be required to send the approved notice to customers with the next regular billing. The tariff filing should be approved and effective for services rendered or connections made on or after the stamped approval date. Finally, upon issuance of the order, the docket should be closed.

cc: Division of Economic Regulation (Mailhot)  
Division of the Commission Clerk and Administrative Services