

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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COMMISSION
CLERK

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

DATE: September 21, 2006

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Division of Economic Regulation (Walden, Kaproth) *AW KV JSA*
Office of the General Counsel (Jaeger) *JSB for R2J and MAH* *M* *CRS/TJS*

RE: Docket No. 060475-SU – Application for cancellation of Certificate No. 233-S, in Pinellas County, by Ranch Mobile WWTP, Inc.

AGENDA: 10/3/06 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECR\WP\060475.RCM.DOC

Case Background

Ranch Mobile WWTP, Inc. (Ranch Mobile) has been reselling wastewater service to three mobile home parks and one restaurant in Pinellas County since 1976.¹ The wastewater is treated by the City of Largo. As a result of reconfiguration of the collection system for the mobile home parks, each mobile home park and the restaurant will soon receive service directly from the City of Largo. An agreement was signed by all three mobile home parks addressing the reconfiguration of the collection system to allow each park to be a customer of the City of Largo. The restaurant did not share this collection system.

¹ Docket No. 760569-S, Order No. 7693, issued on March 22, 1977, In Re: Application of Midway Service Corporation for a certificate in Pinellas County. System later transferred in Docket No. 840320-SU, Order No. 14194, issued March 19, 1985, In Re: Application for transfer of Sewer Certificate No. 233-S from Midway Service Corporation to Ranch Mobile WWTP, Inc.

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In 2005, Ranch Mobile was providing service as a reseller to 2,040 ERCs, and received wastewater revenues of \$230,085. The net loss for 2005 was \$18,518. The utility filed this application to cancel its certificate on June 22, 2006. This recommendation addresses the cancellation of Certificate No. 233-S since Ranch Mobile will no longer be a utility as defined by Section 367.021(12), Florida Statutes.

Discussion of Issues

Issue 1: Should Certificate No. 233-S held by Ranch Mobile WWTP, Inc. be canceled?

Recommendation: Yes, Certificate No. 233-S should be canceled effective the date that service is provided directly by the City of Largo. Ranch Mobile shall inform the Commission of the date that service is provided directly by the City of Largo. Regulatory assessment fees for 2006 are due to the Commission within 45 days of the Commission Order approving the certificate cancellation. The certificate should be canceled administratively after notification is received from Ranch Mobile and the regulatory assessment fees are paid. (Walden, Kaproth)

Staff Analysis: On June 22, 2006, Ranch Mobile filed its application for cancellation of certificate. As a result of reconfiguration of the collection system, each of the three mobile home parks and the restaurant that has heretofore been a customer of Ranch Mobile will soon be a customer of the City of Largo. An agreement was signed by all three mobile home parks addressing the reconfiguration of the system to allow each park to be a customer of the City of Largo. The restaurant did not share this collection system, having a point of connection outside the mobile home parks' shared system.

Since Ranch Mobile no longer desires to resell wastewater service, and each of its former customers will soon begin receiving wastewater service directly from the City of Largo, Ranch Mobile will no longer be a utility as defined by Section 367.021(12), Florida Statutes. Staff has contacted Ranch Mobile Mobile Home Park, Twin Palms Mobile Home Park, and Down Yonder Mobile Home Park to confirm that these bulk customers have no objection to the certificate cancellation. Each of the mobile home parks will continue to include the cost of wastewater service in the lot rental to each of its residents, and will therefore continue to be exempt from Commission regulation.

An exact date for service from the City is not available since the customers will not become direct customers of the City until the Commission gives approval of this request for certificate cancellation. It is expected that direct service will be accomplished shortly after Commission approval. Ranch Mobile should be required to notify the Commission of the date that service is provided by the City of Largo.

Ranch Mobile holds no customer deposits. In its application, Ranch Mobile states that its certificate cannot be located and returned for cancellation. The utility is current with filing its annual reports and has no outstanding fines. There are no outstanding regulatory assessment fees, penalties, or interest. The utility has agreed to pay the 2006 regulatory assessment fees within 45 days of the issuance date of the Commission Order. No annual report for 2006 will need to be filed since the certificate will have been canceled.

Staff, therefore, recommends that the utility's application and request for certificate cancellation be approved, effective the date that the City begins providing service directly to each of the customers of Ranch Mobile. Ranch Mobile shall inform the Commission of the date that service is provided directly by the City of Largo. Regulatory assessment fees for 2006 are due to the Commission within 45 days of the Commission Order approving the certificate

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cancellation. The certificate should be canceled administratively after notification is received from Ranch Mobile and the regulatory assessment fees for the utility's 2006 revenues are paid.

Issue 2: Should this docket be closed?

Recommendation: Yes, because no further action is required, this docket should be closed administratively after the Commission is informed that each mobile home park is receiving service directly from the City of Largo, and after the regulatory assessment fees are paid. (Jaeger)

Staff Analysis: No further action by the Commission is required and this docket should be closed administratively after the Commission is informed that service is directly provided by the City of Largo, and after the regulatory assessment fees are paid.