

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: January 2, 2014
TO: Jennifer S. Crawford, Attorney Supervisor, Office of the General Counsel
FROM: Adam R. Hill, Engineering Specialist I, Division of Engineering
Melinda H. Watts, Engineering Specialist III, Division of Engineering *MHW CLK*
RE: Docket No. 130242-WS - Joint notice of transfer of Plantation Bay Utility Company water and wastewater assets located in Flagler and Volusia Counties to the City of Bunnell, Florida and request for cancellation of Certificate Nos. 455-W and 389-S.

Plantation Bay Utility Company (Plantation Bay or Utility) is a class B water and wastewater utility providing service to approximately 1,530 water and 1,500 wastewater customers in Flagler and Volusia Counties. Water and wastewater rates were last established for this Utility in its 2005 rate case.¹

A completed application for transfer of its water and wastewater facilities to the city of Bunnell, Florida (Bunnell) was filed on September 27, 2013. Pursuant to Section 367.071(4), Florida Statutes (F.S.), the sale of facilities to a governmental authority shall be approved as a matter of right. As such, no notice of the transfer is required and no filing fees apply.

The completed application included an Agreement for Purchase and Sale of Water Assets between Plantation Bay and Bunnell, dated April 8, 2013, and an Agreement for Charitable Donation of Wastewater Assets between Plantation Bay and Bunnell, dated April 8, 2013. Pursuant to Section 367.071(4)(a), F.S., and Rule 25-30.037(4)(e), Florida Administrative Code (F.A.C.), the Utility included a statement that Bunnell obtained the most recent income statement, the most recent balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction. Plantation Bay has transferred all customer deposits with accrued interest to Bunnell and has submitted a statement in accordance with Rule 25-30-037(4)(g), F.A.C. The Utility has paid all outstanding regulatory assessment fees (RAFs) in full, including RAFs for the period July 1 through December 31, 2013; therefore, no RAFs are due after this date, and no annual report needs to be filed for the year ended December 31, 2013.

The Commission has jurisdiction pursuant to Section 367.071, F.S. Also, pursuant to Section 2.07(C)(4)(d) of the Administrative Procedures Manual, staff has been given administrative authority to approve transfers to governmental entities that are in compliance with Section 367.071(4)(a), F.S. and are not controversial in nature. Based on the above, staff believes that the application is in compliance with Section 367.071(4)(a), F.S., and Rule 25-30.037(4), F.A.C. Staff recommends that the Commission acknowledge the transfer of the water and wastewater systems to Bunnell as a matter of right, pursuant to Section 367.071(4)(a), F.S., and cancel Certificate Nos. 455-W and 389-S effective September 16, 2013. In addition, staff recommends that the docket be closed because no further action is necessary.

¹ See Order No. PSC-06-0170A-PAA-WS, issued March 9, 2006, in Docket No. 050281-WS, In re: Application for increase in water and wastewater rates in Volusia County by Plantation Bay Utility Company.