

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: May 11, 2016

TO: Margo A. Leathers, Attorney, Office of the General Counsel

FROM: Clayton K. Lewis, US Engineering Specialist, Division of Engineering *CKL RES*

RE: Docket 160036 - WS - Application for transfer of water and wastewater facilities to the City of Wildwood in Sumter County, and cancellation of Certificate Nos. 506-W and 440-S, by Continental Utility, Inc.

Corrected (see Document 01991-16)

Continental Utility, Inc., (Continental or Utility) is a Class B water and wastewater utility providing service to approximately 937 customers in Sumter County. On February 22, 2016, the Commission received an application for transfer from Continental stating the City of Wildwood had purchased the Utility on February 16, 2016. A copy of the sales agreement was enclosed with the application. See Document No. 00955-16.

Pursuant to Section 367.071(4)(a), Florida Statutes (F.S.), and Rule 25-30.038(2), Florida Administrative Code (F.A.C.), the Utility provided copies of the sales agreement, income statements, balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction. In accordance with Rule 25-30.038(2)(f), F.A.C., the Utility stated it held no customer deposits. The Utility filed its 2014 Annual Report on March 23, 2015. As the Utility was no longer under the Commission's jurisdiction because of the sale to a governmental entity on February 16, 2016, an Annual Report for 2015 is not required. Continental paid its outstanding regulatory assessment fees of \$3,770.02 on April 11, 2016.

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 Sections 367.071 and 367.022(2), F.S., and Rule 25-30.038, F.A.C. Staff recommends the Commission acknowledge the transfer of the water and wastewater systems to the City of Wildwood as a matter of right, pursuant to Section 367.071(4)(a), F.S., and cancel Certificate Nos. 506-W and 440-S effective February 16, 2016. In addition, staff recommends the docket should be closed because no further action is necessary.

cc: Docket No. 160036-WS