

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for transfer of majority organizational control of Quail Meadow Utilities, Inc., holder of Certificate No. 485-W in Marion County, from Harry T. Mangurian, Jr. to Tracy L. Aherron.

DOCKET NO. 981623-WU
ORDER NO. PSC-99-0637-FOF-WU
ISSUED: April 5, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.

ORDER APPROVING TRANSFER OF MAJORITY ORGANIZATIONAL CONTROL
AND CLOSING DOCKET

BY THE COMMISSION:

Background

On November 17, 1998, Ms. Tracy L. Aherron filed an application with this Commission for approval of the transfer of majority organizational control of Quail Meadow Utilities, Inc. (Quail Meadow or utility) from Harry T. Mangurian, Jr. to Tracy L. Aherron. Quail Meadow is a Class C utility that provides water service to about 150 residential customers in Marion County. The utility is current through 1997 with regard to the filing of its annual reports and payment of regulatory assessment fees.

Application

The application is in compliance with Section 367.071, Florida Statutes, and other pertinent statutes and provisions of the Florida Administrative Code. In particular, the application contains a filing fee in the amount of \$750, pursuant to Rule 25-30.020, Florida Administrative Code. Ms. Aherron provided a warranty deed as evidence that the utility owns the land upon which

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its facilities are located, in accordance with Rule 25-30.037(1)(o), Florida Administrative Code.

Proof of compliance with the noticing provisions of Rule 25-30.030, Florida Administrative Code, has been provided, including notice to the customers of the system being transferred. No objections to the application have been received and the time for filing such has expired.

With regard to technical ability, Ms. Aherron will retain the same managers and operators that have served the utility since 1987. In addition, from information provided with the application, Ms. Aherron appears to have the financial ability to continue to operate the utility. Closing of the sale is scheduled to occur within seven days of Commission approval of the transfer.

According to the Department of Environmental Protection (DEP), there are no outstanding Notices of Violation against the utility. Ms. Aherron stated that Quail Meadow is in satisfactory condition and is meeting applicable DEP standards, and does not need any immediate repairs or improvements.

Based on the foregoing, we find that the transfer of majority organizational control of Quail Meadow from Mr. Harry T. Mangurian, Jr., to Ms. Tracy L. Aherron, is in the public interest and it is approved. The territory Quail Meadow is authorized to serve is shown on Attachment A of this Order, which by reference is incorporated herein.

Rate Base

This Commission has consistently held that rate base will not be established when a utility's stock is transferred. The change in stock ownership does not change the utility's asset accounts, its liability accounts, or its rate base balance. Therefore, we do not find it appropriate to establish rate base in this docket.

Rates and Charges

Quail Meadow's current rates were approved by Order No. PSC-96-0491A-FOF-WU, issued on April 30, 1996, in Docket No. 960143-WU. Rule 25-9.044(1), Florida Administrative Code, requires the new owner of a utility to adopt and use the rates, classifications and regulations of the former owner unless authorized to change by this Commission. Ms. Aherron has not requested to change the rates and

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we see no reason to change them at this time. Therefore, Quail Meadow shall continue to charge the rates and charges approved in its tariff until authorized to change by this Commission in a subsequent proceeding. The utility has filed a revised tariff showing the new issuing officer due to the transfer of majority organizational control. The tariff shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets.

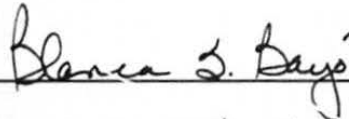
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of majority organizational control of Quail Meadow Utilities, Inc., from Harry T. Mangurian, Jr., 5850 Southwest State Road 200, Ocala, Florida, 34474-5736, to Tracy L. Aherron, 5850 Southwest State Road 200, Ocala, Florida, 34474-5736, is hereby approved. The territory Quail Meadow Utilities, Inc. is authorized to serve is shown on Attachment A of this Order, which by reference is incorporated herein. It is further

ORDERED that Quail Meadow Utilities, Inc. shall continue to charge the rates and charges approved in its tariff until authorized to change by this Commission in a subsequent proceeding. The tariff shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets. it is further

ORDERED that Docket No. 981623-WU is hereby closed.

By ORDER of the Florida Public Service Commission this 5th day of April, 1999.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

ATTACHMENT A

Quail Meadow Utilities, Inc.

Water Service Area

Township 15 South, Range 21 East

Begin at the Northeast corner of Section 4, Township 15 South, Range 21 East, Marion County, Florida, thence South $89^{\circ}42'54''$ West along the North boundary of said Section 4 a distance of 164.10 feet to the Southeast corner of Section 33, Township 14 South, Range 21 East, thence continue along said North boundary of Section 4, North $89^{\circ}54'08''$ West, 828.28 feet to the Northwest corner of the East 1/2 of the West 1/2 of the East 1/2 of the Northeast 1/4 of said Section 4, thence South $00^{\circ}11'47''$ East along the West boundary of said East 1/2 of West 1/2 of East 1/2 of Northeast 1/4, a distance of 2183.78 feet, thence South $89^{\circ}54'04''$ East, 339.63 feet, thence North $89^{\circ}20'53''$ East 642.41 feet, to a point on the West boundary of Section 3, Township 15 South, Range 21 East, thence North $89^{\circ}09'21''$ East 1318.55 feet to the Southwest corner of the North 16 1/2 acres of that part of the Southeast 1/4 of the Northwest 1/4 of said Section 3 lying West of Northwest 44th Avenue, thence North $89^{\circ}37'10''$ East along the South boundary of said North 16 1/2 acres 1145.47 feet to a point on the West right-of-way line of said Northwest 44th Avenue, thence North $00^{\circ}01'12''$ West along said west right-of-way line 2150.16 feet to a point on the North boundary of said Section 3, thence North $89^{\circ}58'20''$ West along said North boundary 2460.21 feet to the point of beginning, Containing 171.56 acres more or less.