

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for transfer
of facilities to The City of
Edgewater in Volusia County, and
for cancellation of Certificate
Nos. 374-W and 323-S, by Terra
Mar Village Utilities, Inc.

DOCKET NO. 030636-WS
ORDER NO. PSC-04-0087-FOF-WS
ISSUED: January 27, 2004

The following Commissioners participated in the disposition of
this matter:

BRAULIO L. BAEZ, Chairman
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

ORDER APPROVING TRANSFER TO CITY OF EDGEWATER

BY THE COMMISSION:

BACKGROUND

Terra Mar Village Utilities, Inc. (Terra Mar or utility) is a Class C water and wastewater utility providing service in Volusia County, Florida. The utility's 2002 annual report indicates that Terra Mar had gross revenue of \$118,094 and \$63,018 and net operating income of \$17,117 and (\$24,279) for water and wastewater, respectively.

On July 16, 2003, the utility filed an application with this Commission for the approval of the transfer of Terra Mar to the City of Edgewater (the City) and cancellation of Certificate Nos. 374-W and 323-S. We have jurisdiction pursuant to Sections 367.045, 367.071(4)(a), and 367.081, Florida Statutes, and Rule 25-30.037(4), Florida Administrative Code.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

TRANSFER

The utility has filed its application to transfer its facilities to the City pursuant to Section 367.071(4)(a), Florida Statutes, and Rule 25-30.037(4), Florida Administrative Code. Included with the application is a copy of the Agreement for Sale and Purchase, which states the closing date was July 25, 2003.

Pursuant to Section 367.071(4)(a), Florida Statutes, the transfer 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 application had no deficiencies and is in compliance with Section 367.071(4)(a), Florida Statutes, and Rule 25-30.037(4), Florida Administrative Code.

The application contains a statement that the City obtained Terra Mar's most recent income and expense statement, balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction, pursuant to Rule 25-30.037(4)(e), Florida Administrative Code. A statement that the customer deposits, less any unpaid balances, will be refunded to the customers as required by Rule 25-30.037(4)(g), Florida Administrative Code, was also included in the application.

Additionally, pursuant to the requirements of Rule 25-30.037(4)(h), Florida Administrative Code, a statement was included that Terra Mar has no outstanding regulatory assessment fees (RAFs) and no fines or refunds are owed. We have verified that the utility has paid RAFs through December 31, 2002, filed all annual reports through 2002, and that there are no outstanding penalties, refunds or interest as of December 31, 2002. On November 12, 2003, Terra Mar paid water RAFs of \$3,075 and wastewater RAFs of \$1,588 based on water revenues of \$68,342 and wastewater revenues of \$35,286 for the period January 1 through July 25, 2003. The amount of revenue reported and RAFs paid appears reasonable.

The buyer (City), as a governmental authority, is not responsible for RAFs on revenues after July 26, 2003. Also, pursuant to Rule 25-30.110(3), Florida Administrative Code, the utility is not responsible for filing an annual report for 2003.

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We find that the application is in compliance with all provisions of Rule 25-30.037, Florida Administrative Code, and Section 367.071(4)(a), Florida Statutes. Therefore, we approve, as a matter of right, the transfer of Terra Mar's facilities in Volusia County to the City, and Certificates Nos. 374-W and 323-S shall be cancelled, effective July 25, 2003.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the application of Terra Mar Village Utilities, Inc., for transfer of its facilities to the City of Edgewater is approved as a matter of right. It is further

ORDERED that Certificates Nos. 374-W and 323-S shall be cancelled administratively, effective July 25, 2003. It is further

ORDERED that this docket shall remain open until the conclusion of pending Docket No. 030828-WS, Complaint Nos. 512346 and 533120W contesting high water and wastewater bills for December 2002 and April 2003, respectively, filed by Mr. Harold Shriver against Terra Mar Village Utilities, Inc., in Volusia County, and until Certificate Nos. 374-W and 323-S are cancelled administratively.

By ORDER of the Florida Public Service Commission this 27th day of January, 2004.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records

(S E A L)

RRJ

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 the Commission Clerk and Administrative Services, 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 the Commission Clerk and Administrative Services 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.