

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Transfer of water and wastewater service areas from Lake Suzy Utilities, Inc. d/b/a Aqua Utilities Florida, Inc. to DeSoto County, and cancellation of Certificate Nos. 599-W and 514-S in Charlotte and DeSoto Counties.

DOCKET NO. 041294-WS  
ORDER NO. PSC-05-0313-FOF-WS  
ISSUED: March 21, 2005

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman  
J. TERRY DEASON  
RUDOLPH "RUDY" BRADLEY  
CHARLES M. DAVIDSON  
LISA POLAK EDGAR

ORDER APPROVING TRANSFER TO DESOTO COUNTY AND  
CANCELING CERTIFICATE NOS. 599-W AND 514-S

BY THE COMMISSION

BACKGROUND

Lake Suzy Utilities, Inc. (Lake Suzy or utility) is a Class B water and wastewater utility providing service to 495 water customers and 221 wastewater customers in DeSoto and Charlotte Counties. Although DeSoto County has jurisdiction over the privately owned water and wastewater utilities in that County, we found the Lake Suzy water system to be subject to our jurisdiction pursuant to Section 367.171(7), Florida Statutes, because it provides water service which transverses the DeSoto and Charlotte County boundary.<sup>1</sup> In addition, we found that Lake Suzy's provision of water service across county boundaries invokes our jurisdiction over the entire water and wastewater system, even though wastewater service does not transverse county boundaries, because the Lake Suzy water and wastewater system is one system as defined in Section 367.021(11), Florida Statutes.<sup>2</sup>

On September 30, 2004, DeSoto County and Lake Suzy entered into a master utility conveyance agreement to transfer the Lake Suzy water facilities to DeSoto County and, in exchange, to transfer the County wastewater facilities to Lake Suzy. On November 9, 2004, an application was filed requesting a transfer of the water facilities from Lake Suzy to Desoto County and for the cancellation of Certificate Nos. 599-W and 514-S. We have jurisdiction pursuant to Section 367.071, Florida Statutes.

<sup>1</sup> We granted Lake Suzy Utilities, Inc. its Certificate Nos. 599-W and 514-S in Order No. PSC-00-0575-PAA-WS, issued March 22, 2000, in Docket No. 970657-WS, In Re: Application for certificates to operate a water and wastewater utility in Charlotte and DeSoto Counties by Lake Suzy Utilities, Inc.

<sup>2</sup> Pursuant to Section 367.021(11), Florida Statutes a "system" is defined as facilities and land used or useful in providing service, and upon a finding by this Commission, may include a combination of functionally related facilities and land.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

APPROVING TRANSFER AND CANCELING CERTIFICATE NOS. 599-W AND 514-S

On November 9, 2004, Lake Suzy filed an application for the transfer of its water facilities to Desoto County and cancellation of Certificate Nos. 599-W and 514-S pursuant to Section 367.071(4)(a), Florida Statutes and Rule 25-30.037(4), Florida Administrative Code. 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.

According to the application, Desoto County approved an agreement to transfer the Lake Suzy water facilities to DeSoto County and, in exchange, to transfer the County wastewater facilities to Lake Suzy on September 28, 2004. As a result of the agreement, the Lake Suzy water and wastewater systems will no longer be subject to our jurisdiction because the County will own the water system and Lake Suzy will no longer have a water or wastewater system that transverses the County boundary. Lake Suzy will provide wastewater service in DeSoto County only. According to the application, DeSoto County will be responsible for providing water service.

The application contains a statement that Desoto County obtained Lake Suzy's most recent income and expense statement, balance sheet, statement of rate base, and contributions-in-aid-of-construction. Also included in the application was a statement that all customer deposits together with accumulated interest thereon that has not previously been refunded pursuant to Florida Administrative Code will be assigned to DeSoto County at the closing.

Lake Suzy filed its 2003 annual report and paid its regulatory assessment fees (RAFs) for the period January 1, 2004, through June 30, 2004. The utility has no outstanding penalties, interest, or fines. The utility paid estimated RAFs of \$13,963.65 for July 1, 2004 through December 31, 2004. In addition, the utility paid estimated RAFs of \$5,445 for January 2005 and February 2005. Within 30 days of the closing of this transaction, the utility will send actual RAF forms for July 1, 2004, through December 31, 2004, and January 1, 2005, through the date of the closing with an additional payment or requesting a refund, as appropriate. Lake Suzy is responsible for filing the 2004 annual report on or before March 31, 2005. Since Desoto County is exempt from our jurisdiction, the 2005 annual report does not need to be filed. The utility has no open dockets pending before this Commission.

Based on the above, we find that the transfer of the water facilities from Lake Suzy to DeSoto County shall be approved as a matter of right, pursuant to Section 367.071(4)(a), Florida Statutes. Certificate Nos. 599-W and 514-S shall be cancelled administratively upon receipt of the executed master conveyance agreement confirming the date of closing, which is anticipated to be March 31, 2005, and receipt of the other required filed documents discussed above.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of the water facilities from Lake Suzy Utilities, Inc. to DeSoto County are approved as a matter of right, pursuant to Section 367.071(4)(a), Florida Statutes. It is further

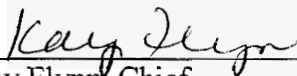
ORDERED that Certificate Nos. 599-W and 514-S shall be cancelled administratively upon receipt of the executed master utility conveyance agreement confirming the date of closing, which is anticipated to be March 31, 2000, and receipt of regulatory assessment fees forms and payment as set forth in the Order. It is further

ORDERED that this docket shall remain open until staff receives proof of the executed purchase agreement confirming the closing, and receipt of actual regulatory assessment fee forms and payment for July 1, 2004, through December 31, 2004, and January 1, 2005, through the date of closing.

By ORDER of the Florida Public Service Commission this 21st day of March, 2005.

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

By:



Kay Flynn, Chief  
Bureau of Records

( S E A L )

JSB

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.