

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for transfer of wastewater facilities to City of Sebring in Highlands County, and cancellation of Certificate No. 349-S, by Harder Hall - Howard, Inc.

DOCKET NO. 070381-SU
ORDER NO. PSC-07-0723-FOF-SU
ISSUED: September 5, 2007

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman
MATTHEW M. CARTER II
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

ORDER APPROVING TRANSFER OF WASTEWATER FACILITIES AND
CANCELLATION OF CERTIFICATE

BY THE COMMISSION:

Background

Harder Hall - Howard, Inc. (Harder Hall or utility) is a Class C utility providing wastewater service to approximately 420 equivalent residential units in Highlands County. The utility's wastewater system was originally issued Certificate No. 349-S in 1984.¹ The utility has been transferred twice and its territory has been amended once.² The utility's 2006 annual report indicates that the utility had gross revenue of \$101,008 and a net operating loss of \$27,830.

On June 21, 2007, Harder Hall filed an application for transfer of facilities to the City of Sebring (the City) and for cancellation of Certificate No. 349-S. We have jurisdiction pursuant to Section 367.071, Florida Statutes.

Transfer of Facilities and Cancellation of Certificate

According to the application, the City began providing service to the customers on December 1, 2006. Pursuant to Section 367.022(2), Florida Statutes, the effective date of

¹ Order No. 12878, issued January 13, 1984, in Docket No. 830209-S (AP), In Re: Application of Harder Hall, Inc., for a certificate to operate a sewer system in Highlands County, Florida, Pursuant to Section 367.171, Florida Statutes.

² Order No. 19855, issued August 22, 1988, in Docket No. 880204-SU, In re: Joint Petition to Transfer Assets of Harder Hall Corporation and Certificate 349-S in Highlands County from HHR Associates to Security Savings and Loan Association. Order No. 24713, issued June 25, 1991, in Docket No. 910149-SU, In re: Application for transfer of Certificate No. 349-S from Security Savings and Loan Association to Harder Hall – Howard, Inc. in Highlands County. Order No. PSC-92-1185-AS-SU, issued October 19, 1992, in Docket Nos. 920093-SU, In re: Application for amendment of Certificate No. 349-S to include additional territory in Highland County by Harder Hall – Howard, Inc. and 920069-SU, In re: Complaint against Harder Hall - Howard, Inc. for alleged infringement upon certificated area in Highlands County served by Highlands Utilities Corporation.

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exemption from the Commission's regulation is the initial date the facilities are owned, operated, managed, or controlled by the governmental authority. Therefore, the effective date of exemption from our regulation for Harder Hall's transfer of service territory and facilities to the City is December 1, 2006.

The City and Harder Hall agreed to the transfer of the wastewater facilities, with the exception of the wastewater treatment plant, which is in the process of being dismantled. Harder Hall's wastewater system has been interconnected with the City's system. Pursuant to Section 367.071(4)(a), Florida Statutes, "the sale of facilities to a governmental authority shall be approved as a matter of right; however the governmental authority shall, prior to taking any official action, obtain from the utility or commission with respect to the facilities to be sold the most recent available income and expense statement, balance sheet, and statement of rate base for regulatory purpose and contributions-in-aid-of-construction."

Here, Harder Hall sought to sell its facilities to the City. Thus, we approve the sale to the City as a matter of right. The application contains a statement that the utility holds no customer deposits. No deposits or accumulated interest will be transferred to the City or applied to the customer accounts. The application also stated that the City received the utility's most recent available income and expense statement, balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction. Since the City is a governmental authority, filing fees are not required pursuant to Section 367.071(3), Florida Statutes.

As Rule 25-30.110, Florida Administrative Code, requires, Harder Hall filed its annual reports for 2006 and prior years. Also, as Rule 25-30.120, Florida Administrative Code, requires, the utility's regulatory assessment fees (RAF) for 2006 and all prior years have been paid. No penalties or interest are outstanding for annual reports or RAF payments. The utility is not required to submit RAFs or an annual report for 2007, as the utility was transferred in 2006 to a governmental entity.

Based on the above, we find that the application to transfer Harder Hall facilities to the City is in compliance with all the applicable rules and statutes. Therefore, we approve the transfer of Harder Hall's land and facilities to the City as a matter of right and Certificate No. 349-S shall be cancelled effective December 1, 2006.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of Harder Hall - Howard, Inc's., wastewater facilities to the City of Sebring is approved. It is further

ORDERED that Certificate No. 349-S shall be cancelled effective December 1, 2006. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 5th day of September, 2007.

ANN COLE
Commission Clerk

By: 

Hong Wang
Office of Commission Clerk

(S E A L)

KY

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 Office of Commission Clerk, 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 Office of Commission Clerk 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.