

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint application of GCP REIT II and Sun Communities Operating Limited Partnership for authority for transfer of majority organizational control of GCP Fairfield Village, LLC.

DOCKET NO. 150018-WS
ORDER NO. PSC-15-0210-FOF-WS
ISSUED: May 27, 2015

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman
LISA POLAK EDGAR
RONALD A. BRISÉ
JULIE I. BROWN
JIMMY PATRONIS

ORDER APPROVING TRANSFER OF MAJORITY ORGANIZATIONAL CONTROL

BY THE COMMISSION:

Background

GCP Fairfield Village, LLC, (Fairfield) is a Class C water and wastewater utility serving approximately 260 customers in Marion County. According to Fairfield's 2013 Annual Report, total gross revenues were \$9,977.

Prior to 2007, Fairfield was statutorily exempt from our regulation because it provided water and wastewater services without specific compensation. However, in response to certain water use permitting requirements, Fairfield began charging for water to discourage excessive usage. As a result, Fairfield lost its statutory exemption and obtained Certificate Nos. 640-W and 549-S from this Commission.¹ Fairfield never collected rates for wastewater services; therefore, we subsequently cancelled wastewater Certificate No. 594-S and approved the water conservation rates as part of a settlement agreement.² On May 23, 2013, we approved the transfer of Century-Fairfield water system and Certificate No. 640-W to GCP Fairfield Village, LLC.³

On January 6, 2015, a joint application for authority for transfer of majority organizational control was filed by GCP REIT II and Sun Communities Operating Limited

¹ Order No. PSC-08-0067-FOF-WS, issued January 29, 2008, in Docket No. 070548-WS, In re: Application for certificates to provide water and wastewater services in Marion County by Century – Fairfield Village, Ltd.

² Order No. PSC-08-0435-PAA-WS, issued July 7, 2008, in Docket No. 070548-WS, In re: Application for certificates to provide water and wastewater services in Marion County by Century – Fairfield Village, Ltd.

³ Order No. PSC-13-0217-PAA-WU, issued May 23, 2013, in Docket No. 120188-WU, In re: Application for approval of transfer of Century-Fairfield Village, Ltd. Water system and Certificate No. 640-W in Marion County to GCP Fairfield Village, LLC.

Partnership. The application, as filed, did not have any deficiencies. We have jurisdiction in this case pursuant to Section 367.071, Florida Statutes (F.S.).

Discussion

Noticing, Territory, and Ownership

The applicant provided proof of compliance with the noticing provisions set forth in Section 367.071, F.S., and Rule 25-30.030, F.A.C. No objections to the transfer were filed with this Commission, and the time for doing so has expired. The notice contains a description of the territory for Fairfield, which is appended to this order as Attachment A. The application does not involve transfer of the facilities and Fairfield will continue to lease the land where the water treatment plant is currently located. The evidence of the lease has previously been provided to this Commission.⁴

Technical and Financial Ability

Pursuant to Rule 25-30.037(3)(f), F.A.C., the application contains statements describing the technical and financial ability of the applicant to provide service to the proposed service area. We reviewed the consolidated balance sheet of Sun Communities, Inc., (parent company of Sun Communities OLP) and the attestation in the transfer application asserting that Sun Communities, Inc., has the financial ability required to fund future capital expenditures on an “as needed” basis. According to the application, there will be no immediate change in the day-to-day operational management of the systems. Sun Communities OLP is currently engaged in water and wastewater utility service operations in Florida through its ownership of the Saddle Oak Club system in Marion County, Buttonwood Bay in Highlands County, and Water Oak in Lake County which are regulated by the Commission. In addition, Sun Communities, Inc., also operates approximately seven systems either unregulated or regulated by county governments.

Fairfield’s lead and copper analysis of drinking water exceeded the State Action Level of 0.015 ppm for lead in 2012. The Florida Department of Environmental Protection (DEP) did not take action until 2014. Fairfield provided new samples in 2014 which were within the State Action Level. DEP directed notices to be given, additional samples to be provided, and implementation of a corrosion control treatment plan. Fairfield complied with the notices and additional samples, but intends to ask to defer the plan until after July 2015. Based on the above, we find that Fairfield and Sun Communities have demonstrated the technical and financial capability to provide service to the existing service territory.

⁴ Order No. PSC-13-0217-PAA-WU, issued May 23, 2013, in Docket No. 120188-WU, In re: Application for approval of transfer of Century-Fairfield Village, Ltd. Water system and Certificate No. 640-W in Marion County to GCP Fairfield Village, LLC.

Rates and Charges

The Utility's rates and charges, including miscellaneous service charges and a late payment fee, were last approved effective July 7, 2008.⁵ The Utility's existing rates and charges are shown on Schedule No. 1. Rule 25-9.044(1), F.A.C., provides that, in the case of a change of ownership or control of a utility, the rates, classifications, and regulations of the former owner must continue unless authorized to change by this Commission. Therefore, we find that the Utility's existing rates and charges remain in effect until a change is authorized by this Commission in a subsequent proceeding.

Decision

Based on the above, we find that the transfer of majority organizational control to Sun Communities Operating Limited Partnership is in the public interest and shall be approved effective the date of this Commission's vote. This order shall serve as the water and wastewater certificates, with the territory described in Attachment A. The existing rates and charges shall remain in effect until a change is authorized by this Commission in a subsequent proceeding. The tariffs reflecting the transfer shall be effective for services rendered or connections made on or after the stamped approval date on the tariffs, pursuant to Rule 25-30.475, F.A.C.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the application for transfer of majority organizational control of GCP Fairfield Village, LLC to Sun Communities Operating Limited Partnership is hereby approved effective May 5, 2015. It is further

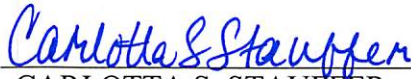
ORDERED that GCP Fairfield Village, LLC shall continue to charge its current rates and charges until authorized to change by this Commission. It is further

ORDERED that Attachment A and Schedule No. 1, attached to this Order, are incorporated herein by reference. It is further

ORDERED that this docket shall be closed.

⁵ Order No. PSC-08-0435-PAA-WS, issued July 7, 2008, in Docket No. 070548-WS, In re: Application for certificates to provide water and wastewater service in Marion County by Century - Fairfield Village, Ltd.

By ORDER of the Florida Public Service Commission this 27th day of May, 2015.



CARLOTTA S. STAUFFER

Commission Clerk

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413-6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

JEV

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.

GCP Fairfield Village, Ltd.

Marion County

Description of Water Service Territory

Commence at the West $\frac{1}{4}$ corner of Section 4, Township 16 south, Range 21 East, Marion County, Florida; thence North $89^{\circ}56'18''$ East 50.00 feet to the Easterly right-of-way line of Southwest 60th Avenue (100 feet wide) for the Point of Beginning; thence North $00^{\circ}16'09''$ East along the said Easterly right-of-way 1.41 feet; thence North $00^{\circ}17'45''$ East continuing along said Easterly right-of-way 1318.59 feet to the North boundary line of South $\frac{1}{2}$ of the NW $\frac{1}{4}$ of aforesaid Section 4; thence North $89^{\circ}56'18''$ East along the said North boundary line 1276.58 feet; thence South $00^{\circ}15'45''$ West 1979.61 feet more or less to the SE corner of the North $\frac{1}{2}$ of the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of said Section 4; thence South $89^{\circ}56'25''$ West along South boundary line of the said North $\frac{1}{2}$, 1277.42 feet to the aforesaid Easterly right-of-way line of Southwest 60th Avenue; thence North $00^{\circ}16'09''$ East along the said Easterly right-of-way 659.57 feet to the Point of Beginning.

FLORIDA PUBLIC SERVICE COMMISSION

Authorizes

GCP Fairfield Village, Ltd.

pursuant to

Certificate Number 640-W

to provide water service in Marion County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-08-0067-FOF -WS	01/29/08	070548-WS	Original Certificate
PSC-13-0217-PAA-WU	05/23/13	120188-WU	Transfer of Certificate
PSC-15-0210-FOF-WS	05/27/15	150018-WU	Transfer of Majority Organizational Control

**GCP Fairfield Village, LLC
Monthly Water Rates**

Residential Service and General Service

Base Facility Charge	\$0
Charge Per 1,000 gallons	
0-7,000 gallons	\$3.50
7,001-12,000 gallons	\$5.50
Over 12,000 gallons	\$0

Miscellaneous Service Charges

	Normal Business Hours	After Hours
Initial Connection Charge	\$30.00	\$40.00
Normal Reconnection Charge	\$30.00	\$40.00
Violation Reconnection Charge	\$30.00	\$40.00
Premises Visit Charge (in lieu of disconnection)	\$30.00	\$40.00
Late Payment Charge	\$5.00	N/A