

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for acknowledgement of)	DOCKET NO. 881540-WS
the sale of Osceola Service Company)	
facilities in Osceola County to Florida)	ORDER NO. 20792
Community Services Corporation and)	
cancellation of Certificates Nos. 218-W)	ISSUED: 2-21-89
and 163-S.)	

ORDER ACKNOWLEDGING SALE, CANCELLING CERTIFICATES AND CLOSING DOCKET

BY THE COMMISSION:

On November 23, 1988, this Commission received an application requesting acknowledgment of the transfer of Osceola Service Company (OSC or Utility) facilities to Florida Community Services Corporation (FCSC), a nonprofit organization. OSC has heretofore operated its water and sewer systems under the jurisdiction of the Florida Public Service Commission, providing service to certain territories in Osceola County, Florida.

On June 29, 1988, FCSC acquired OSC on behalf of the City of Kissimmee. FCSC purchased the Utility's assets through an issue of tax-exempt revenue bonds. FCSC intends to lease the Utility to the City for fifteen years. During that time, the City will contract with FCSC for the latter to manage the Utility. Upon retirement of the bonds, the bill of sale and deed for the Utility will be delivered to the City. The Agreement for Purchase and Sale reflects a purchase price of \$4,780,000. There were no customer deposits to be transferred on the closing date. Commission requirements regarding regulatory assessment fees have been met, and there are no dockets pending involving this system.

The provisions of Section 367.071, Florida Statutes, require an application for approval of sales of water and/or sewer utilities to governmental agencies, although such sales are approved as a matter of right. Subsection 367.022(2), Florida Statutes, exempts from regulation by the Commission systems owned, operated, managed, or controlled by governmental agencies.

On June 13, 1988, this Commission issued Order on Petition For Declaratory Statement (Order No. 19486), in Docket No. 880583-WS, stating that upon the purchase of the assets of OSC by FCSC, on behalf of the City of Kissimmee, the utility system would be exempt from Commission regulation, pursuant to Section 367.022(2), Florida Statutes, as a system controlled by a governmental agency. That Order further stated that such transfer would be acknowledged as a matter of right. Based on the information in the application, the facts outlined in the Declaratory Statement have occurred. Thus, the utility system is exempt pursuant to Section 367.022(2), Florida Statutes.

Therefore, we hereby acknowledge the acquisition of Osceola Service Company facilities by Florida Community Services Corporation on behalf of the City of Kissimmee. Further, we have determined that Certificates Nos. 218-W and 163-S should be cancelled. It is, therefore,

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ORDERED by the Florida Public Service Commission that the acquisition of the facilities of Osceola Service Company, 6957 Lillian Road, Jacksonville, Florida 32211, by Florida Community Services Corporation, Post Office Box 13172, Pensacola, Florida 32571-3172, on behalf of the City of Kissimmee, is hereby acknowledged. It is further

ORDERED that Certificates Nos. 218-W and 163-S are hereby cancelled. Osceola Service Company shall return the Certificates to this Commission for cancellation within 20 days from the date of this Order. It is further

ORDERED that Docket No. 881540-WS is hereby closed.

By ORDER of the Florida Public Service Commission,
this 21st day of FEBRUARY, 1989.



STEVE TRIBBLE, Director
Division of Records and Reporting

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