

Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: November 19, 1996

TO: Division of Records and Reporting

Division of Legal Services, Alice Crosby

FROM: Division of Water & Wastewater, J. Travis Coker AC W

Docket No. 960095-WS; Application for name change on Certificates Nos. 517-W and RE:

450-S in Brevard County from Aquarina Developments, Inc. to Service Management

Systems, Inc.

Aquarina Developments, Inc. (Aquarina or Utility) is a Class C utility located in Brevard County. In the most recent data available, the 1994 annual report states that the utility water and wastewater operations had annual operating revenues of \$59,299 and net income of (\$226,202). The utility serves 94 water and wastewater customers.

On January 26, 1996, an application for acknowledgement of a corporate name change was filed on behalf of Aquarina. Order No. 22075, issued November 19, 1989, authorized Aquarina to provide water and wastewater service pursuant to Certificate Nos. 517-W and 450-S in Brevard County. The applicant submitted a copy of incorporation papers from the Secretary of State's office, which demonstrates Service Management Systems, Inc. had fulfilled the filing requirements on April 27, 1984.

According to Rule 25-30.039, Florida Administrative Code, a name change shall apply to a certificated utility that changes its name, only, with no change in the ownership or control of the utility or its assets. As stated in the application, both before and after the reorganization, the Commission regulated water and wastewater utility will be effectively owned and controlled by Service Management Systems, Inc. The principal officers will be unchanged by the reorganization as well as the management, office, and operations personnel. There is no change in the value of utility assets or liabilities as a result of the reorganization.

The complete name, address and type of business of the certificated utility is Aquarina Developments, Inc., 235 Hammock Drive, Melbourne Beach, Florida 32951, a Florida Corporation. The proposed change in name and type of business is Service Management Systems, Inc. The reason given for the change is to better comply with this Commission's order that the company maintain utility accounts within utility industries standards. The effective date of the name change was January 1, 1996. A copy of the certificate issued by the state showing its acceptance of the entity's new name was provided with the petition.

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A statement has been furnished by Mr. James H. Bates, President of Aquarina, that ownership and control of the utility and its assets will not change as a result of the reorganization into Service Management Systems, Inc. A copy of the proposed notice to be sent to the customers of Aquarina informing them of the change in utility name was furnished with the petition as well as an original and two copies of the proposed water and wastewater tariffs reflecting the name change. Staff has verified that there are no substantive changes in the tariffs other than the proposed name change. The application states that the applicant's original water and wastewater certificates cannot be returned because they have been misplaced and replacement certificates have been requested.

Section 2.07(C)(3) of the Administrative Procedures Manual grants the Director of the Division of Records and Reporting, in coordination with the appropriate industry division and the Division of Legal Services, the authority to approve changes of names of regulated utilities where no change of ownership or control or transfer of assets is involved. As stated in the petition, the ownership, control and assets of Rainbow Springs will not change under the new name.

Staff finds the application in compliance with all provisions Rule 25-30.039, Florida Administrative Code, and recommends that an administrative order be issued approving the change of name and address on Certificate Nos. 517-W and 450-S to Service Management Systems, Inc, 235 Hammock Drive, Melbourne Beach, Florida 32951. Staff recommends that the order approve the utility's proposed customer notice and require that the notice to be sent to all utility customers upon issuance of the administrative order. Staff also recommends that the utility's proposed water and wastewater tariffs be approved and become effective for services provided or connections made on or after the stamped approval date on the tariff sheets. Furthermore, staff recommends that this docket be closed.

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