

FLORIDA PUBLIC SERVICE COMMISSION
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MEMORANDUM

NOVEMBER 6, 1997

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TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF WATER & WASTEWATER (MESSER) *bcg*
DIVISION OF LEGAL SERVICES (PELLEGRINI) *ppw*

RE: DOCKET NO. 960802-WU - MANATEE UTILITIES, INC. - NOTICE
OF ABANDONMENT OF MANATEE UTILITIES, INC. BY FRANK E.
WOODWARD.
COUNTY: LEVY

AGENDA: NOVEMBER 18, 1997 - REGULAR AGENDA - INTERESTED PERSONS
MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\LEG\WP\960802R3.RCM

CASE BACKGROUND

Manatee Utilities, Inc., (Manatee) is a Class C water utility serving approximately 50 customers in Chiefland County Estates in Levy County. The utility has operated under Certificate No. 411-W since December 9, 1983. The utility's 1994 annual report shows total gross revenues of \$6,207 with a net operating loss of \$6,934. The utility has not filed annual reports for either 1995 or 1996.

In Order No. PSC-95-0222-FOF-WU, issued February 17, 1995, in Docket No. 941122-WU, the Commission acknowledged the abandonment of the utility by its owner, James E. Bennett, and the appointment of Frank E. Woodward as receiver. The order required that Mr. Woodward file an application for transfer of the utility's certificate by May 31, 1995. The utility did not file the application. In addition, there is no record that a reported purchase of the utility by Mr. Woodward was acknowledged by the

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circuit court and that, as a consequence, Mr. Woodward's responsibility as receiver was vacated.

On November 8, 1995, Mr. Woodward filed a notice of intent to abandon the utility pursuant to Section 367.165, Florida Statutes, and Docket No. 951445-WU was opened. On February 1, 1996, however, Mr. Woodward filed a notice with the Commission staying the abandonment and requesting that Docket No. 951445-WU be closed. Staff sent another application for transfer to Mr. Woodward on March 13, 1996. Again, the utility failed to file an application.

On July 3, 1996, Mr. Woodward noticed the Commission a second time of his intent to abandon Manatee and this docket was opened. The Commission acknowledged Mr. Woodward's abandonment effective September 1, 1996, in Order No. PSC-96-1186-FOF-WU, issued September 20, 1996. Levy County has been operating the utility since that time through an independent contractor. The County has not petitioned the court for appointment as receiver for the utility. Pursuant to Section 367.022(2), Florida Statutes, utility systems owned, managed, or controlled by governmental authorities are exempt from Commission regulation. As of July 1, 1996, Section 367.022, Florida Statutes, became self-executing.

This recommendation addresses the utility's certificate and the status of this docket.

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DISCUSSION OF ISSUES

ISSUE 1: Should Manatee Utilities, Inc.'s certificate, Certificate No. 411-W, be canceled and Docket No. 960802-WU closed?

RECOMMENDATION: Yes. Certificate No. 411-W should be canceled and Docket No. 9608092-WU should be closed. (PELLEGRINI, MESSER)

STAFF ANALYSIS: The utility's receiver filed notice of abandonment effective September 1, 1996. The Commission acknowledged the abandonment in Order No. PSC-96-1186-FOF-WU. Levy County has operated the utility since that time by means of an independent contractor. Pursuant to Section 367.022(2), Florida Statutes, the County is not subject to this Commission's regulation. Thus, staff recommends that the Commission order that Manatee's certificate, Certificate No. 411-W, be canceled and that this docket be closed.

Staff notes that it has advised Levy County of its intention to make this recommendation to the Commission. The County affirmed that it will continue to operate the utility as it presently does. The County understands that if a disposition of the utility is made to an entity subject to the Commission's regulation, it will inform the Commission.

The utility's former receiver has not paid the utility's regulatory assessment fees for 1995 and 1996, nor were the annual reports filed for those years. These matters will, however, be addressed separately in another docket.