



Public Service Commission

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

DATE: June 15, 1999

TO: Division of Records and Reporting

FROM: Stephanie Clapp, Division of Water and Wastewater @ BCM JDN [Signature]

RE: Docket No. 990731-WU: Application for transfer of water facilities from Sunrise Water Company, Inc., holder of Certificate No. 584-W, to Keen Sales, Rentals and Utilities, Inc., holder of Certificate No. 582-W, in Polk County, for cancellation of Certificate No. 584-W, and for amendment of Certificate No. 582-W to include additional territory.

Please add the following to the docket file:

1. Letter transmitting application packet to Keen, including caution that closing on a purchase of a utility prior to receiving commission approval is a violation of Florida Statutes.
2. Audit Service Request.

Please note that two copies of each item are provided.

Thank you.

Attachments

cc: Division of Water and Wastewater (Messer, Redemann)
Division of Legal Services (Crossman)

AFA _____
 APP _____
 CAF _____
 CMU _____
 CTR _____
 EAG _____
 LEG _____
 MAS _____
 OPC _____
 RRR _____
 SEC 1 _____
 WAW _____
 OTH _____

DOCUMENT NO.
 07377-99
 June 17

STATE OF FLORIDA

Clapp

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.



DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
DIRECTOR
(850) 413-6900

Public Service Commission

March 30, 1999

Mr. J. Ray Keen
Keen Sales, Rentals and Utilities, Inc.
685 Dyson Road
Haines City, Florida 33844

Re: Application for transfer of Water Certificate No. 584-W from Sunrise Water Company, Inc.,
in Polk County

Dear Mr. Keen:

Your letter of March 22, 1999, has been received. In the letter you advised that you had purchased Sunrise Water Company, Inc. (Sunrise). This is the third utility you have purchased in recent years. The first, Lake Region Paradise Island system was not certificated when you purchased it and we are still working with you to correct deficiencies on the application so it may be approved. The second, Alturas Water Works system was certificated when you entered into a contract to purchase the utility and commission approval was received prior to your closing on the purchase. The third, Sunrise, was certificated, however, you closed on the purchase prior to receiving commission approval. I must remind you of Section 367.071, Florida Statutes, which states:

- (1) No utility shall sell, assign, or transfer its certificate of authorization, facilities or any portion thereof, or majority organizational control without determination and approval of the commission that the proposed sale, assignment, or transfer is in the public interest and that the buyer, assignee, or transferee will fulfill the commitments, obligations, and representations of the utility.
- (2) The commission may impose a penalty pursuant to s. 367.161 when a transfer occurs prior to approval by the commission.

Mr. J. Ray Keen
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Your purchase of Sunrise prior to receiving commission approval is a serious violation of the Florida Statutes. This issue will be addressed in the agenda recommendation concerning the transfer of the Sunrise certificate to your corporation.

Enclosed with this letter is an application package for transfer of a certificate of authorization for a regulated water utility. Included in this package are:

1. Application for transfer of certificate pursuant to Section 367.071, Florida Statutes.
2. Chapter 367, Florida Statutes, contains the Commission's jurisdiction over private water and wastewater utilities in Florida. A copy of Section 367.071, which addresses applications for transfer of certificates is enclosed for your information.
3. Chapter 25-30, Florida Administrative Code, details the rules promulgated to carry out the jurisdiction of the Commission over private water and wastewater utilities. Copies of Rules 25-30.020, .025, .030, .032 and .037 regarding an application for transfer of certificate are enclosed for your information.
4. Sample publication/legal notice format and a list of utilities and governmental/regulatory agencies that must be notified in accordance with Commission Rule 25-30.030, Florida Administrative Code. **Please note the expiration date on the list.** If you have not performed the noticing by this date, you must request an updated list by contacting the undersigned.
5. Model water tariff which contains all of the utility's rules, regulations, rates and charges. Pursuant to Rule 25-30.037, Florida Administrative Code, the transferee is required to file the appropriate tariff revisions reflecting the change in ownership. A computer disk containing the tariffs in WordPerfect format may be obtained by contacting the staff.

The original and five copies of the application and supporting documentation and the original and two copies of the tariff must be filed by June 11, 1999, with:

**Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

AUDIT SERVICE REQUEST

June 10, 1999

Date of Request

AFAD control #

TO : DIVISION AUDITING & FINANCIAL ANALYSIS

FROM: DIVISION OF WATER AND WASTEWATER Stephanie Clapp (904) 413-6997
Division Name Phone number

RE : REQUEST FOR AUDIT OF Sunrise Water Company, Inc
DOCKET NO.: 990731-WU
AUDIT PURPOSE: To establish rate base for transfer of utility

LIST AUDIT OBJECTIVES & OTHER INFORMATION ON BACK.

ADMINISTRATIVE DETAILS:

COMPANY CONTACT: J. RAY KEEN BUYER (941) 421-6827
Name Title Phone Number

MAIL ADDRESS: 685 DYSON ROAD
Street Address
HAINES CITY FLORIDA 33844
City State Zip Code

LOCATION OF RECORDS: The application states that the records are available for inspection from Ms. Sylve Davis, Decker Energy International, PO Box 2397, 163 E. Morse Blvd., Winter Park, FL 32790, (407) 628-8900

AUDIT DUE DATE: September 17, 1999
PIECEMEAL RESULTS: YES__ NO XX

COORDINATING DETAILS: STEPHANIE CLAPP (Analyst) (850) 413-6997
RICHARD REDEMANN (Engineer) (850) 413-6999
Name and phone number of other Division staff and any other administrative instructions

REFERENCES: Order No. PSC-97-0832-FOF-WU and the 1996, 1997 and 1998 Annual Reports. If you need any other information, please feel free to call me.
Attach copies of FPSC ORDERS and other documents as appropriate

FOR USE OF THE FIELD AUDIT SUPERVISOR:

REQUEST ACKNOWLEDGED BY: _____ DATE: _____
AUDIT MANAGER ASSIGNED: _____ DATE ON SIGHT: _____
COMMENTS: _____

