



Public Service Commission

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

DATE: February 26, 2001

TO: Lorena Espinoza, Division of Legal Services
Division of Records and Reporting

FROM: Patricia Brady, Division of Regulatory Oversight

RE: Docket No. 010201-WS, Application for transfer of water and wastewater facilities to Marion County and for cancellation of Certificates 447-W and 378-S held by Decca Utilities, a Division of Decca.

pb *ASV*
P.D. *Amst*

Decca Utilities, a Division of Decca (Decca or utility) is a Class A water and wastewater utility providing service to the Oak Run subdivision in Marion County, Florida. According to Decca's 1999 annual report, the utility provides service to approximately 3,100 residential and general service customers. The utility reported total combined operating revenues of \$1,838,553 with a combined net operating income of \$419,109. The utility was granted Certificates 447-W and 378-S by Order No. 14701, issued August 9, 1985, in Docket No. 850255-WS.

On February 9, 2001, an application was filed on behalf of Decca to transfer its facilities to Marion County and to cancel Certificates 447-W and 378-S. The application, as filed, is in compliance with Section 367.071(4)(a), Florida Statutes, and Rule 25-30.037(4), Florida Administrative Code. A copy was provided of the Asset Purchase & Sale Agreement executed by and between Marion County and Decca for a purchase price of \$11,915,000. The closing occurred on February 2, 2001.

A statement was provided with the application confirming that Marion County had obtained the most recently available income and expense statement, balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction as applicable to the purchased assets. The utility held no customer deposits and has no pending docket before the Commission.

The application provided a statement that all regulatory assessment fees (RAFs) for Decca had been paid in full and that RAFs for 2000, and for 2001 up through February 2, 2001, will be paid by Decca in the manner and time frame required by Commission rules. The application further states that there are no fines or refunds owed. Staff has confirmed that the utility is current on annual reports and RAFs through 1999 and has no outstanding fees, fines or refunds. Pursuant to Rule 25-30.110(3), Florida Administrative Code, the utility is required to file annual reports for the year 2000, but not for 2001, since the closing occurred prior to December 31, 2001. Any request for waiver of the 2000 annual reports will be handled in a separate docket.

DOCUMENT NUMBER DATE

02668 FEB 27 2001

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Based on the above, staff finds that the application is in compliance with Section 367.071(4)(a), Florida Statutes, and Rule 25-30.037(4), Florida Administrative Code. Pursuant to Section 367.071(4)(a), Florida Statutes, the sale of facilities to a governmental authority shall be approved as a matter of right. Therefore, an order should be issued within thirty days acknowledging the transfer of facilities from Decca Utilities, a Division of Decca, to Marion County. Certificates 447-W and 378-S should be canceled and this docket should be closed.

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cc: Division of Economic Regulation (Mailhot)
Division of Administration (Knight)