

State of Florida



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: May 28, 2002
TO: Office of the General Counsel (Crosby) *SR* *SA* *192* *JDJ*
FROM: Division of Economic Regulation (Clapp, Rieger)
RE: Docket No. 020411-WS: Application for name change on Certificates Nos. 458-W and 392-S in Pasco County from Paradise Lakes Utility, Ltd. to Paradise Lake Utility, L.L.C.

On May 9, 2002, Paradise Lakes Utility, Ltd., filed an application to request approval of a name change and acknowledgment of its corporate reorganization. The complete name, address, and type of business entity of the certificated utility is Paradise Lakes Utility, Ltd., P. O. Box 750, Land O' Lakes, Florida 34639-0750, a Florida Limited Partnership. The proposed name change and type of business on Certificates Nos. 458-W and 392-S is Paradise Lakes Utility, L.L.C., a Florida Limited Liability Company.

The application was filed pursuant to Rule 25-30.039, Florida Administrative Code, which provides for changes in name only, with no change in the ownership or control of the utility or its assets. The purpose of the name change and the reorganization is for liability and tax reasons, according to the application. A statement was provided that assures that both before and after the name change and the reorganization, the Utility is 100% owned by Paradise Lakes, Inc., there is no change in ownership or majority organizational control and the assets remain with the Utility. All that has occurred in the reorganization is the change in the type of limited liability entity the utility operates.

Regarding the reorganization, the details of the corporate reorganization are the following. The Utility's facilities were owned by Paradise Lakes Utility, Ltd. whose sole General Partner is Paradise Lakes, Inc. On March 21, 2002, the Utility's corporate structure and name were changed to Paradise Lakes Utility, L.L.C., at which time Paradise Lakes Utility, Ltd., became an inactive Limited Partnership with the Florida Department of State, Division of Corporations and Paradise Lakes Utility, L.L.C., became active. Paradise Lakes, Inc., is the registered agent for Paradise Lakes Utility, L.L.C.

The application included a copy of the certificate of conversion issued by the Florida Department of State showing its acceptance of the conversion of Paradise Lakes Utility, Ltd., to Paradise Lakes Utility, L.L.C. A copy of the proposed notice to be sent to the customers of the utility informing them of the change in utility name was included in the application, as well as an original and two copies of the proposed water and wastewater tariffs reflecting the name change. Staff has verified that the notice contains the appropriate information regarding the name change and there are no substantive changes in the tariffs other than the proposed name change. The name change and internal reorganization will be effective upon issuance of the administrative order.

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The applications states that no money is being paid by, to, or among any of the parties as part of this internal reorganization. The offices, management and all personnel of the Utility will remain unchanged. Further, there will be no change in the operations or level of service.

Section 2.07(C)(2) of the Administrative Procedure's Manual grants the Director of the Division of the Commission Clerk and Administrative Services, in coordination with the appropriate industry division and the Office of the General Counsel, authority to approve change of names and corporate reorganizations of regulated utilities, where no change of ownership or control or transfer of assets is involved. Staff recommends that the request for name change is in compliance with the provisions of Rule 25-30.039, Florida Administrative Code, and that an administrative order be issued within 30 days approving the change of name on Certificates Nos. 458-W and 392-S to Paradise Lakes Utility, L.L.C. The Utility should be required to send the approved notice to customers with the next regular billing. The tariff filing should be approved and effective for services rendered or connections made on or after the stamped approval date. Finally, upon issuance of the order, the docket should be closed.

cc: Division of Economic Regulation (Mailhot)
Division of the Commission Clerk and Administrative Services (Flynn)