

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Application for transfer of facilities operated under Certificate 434-W in Highlands County from Sebring Ridge Utilities, Inc. to City of Avon Park Utilities.

DOCKET NO. 050314-WU
ORDER NO. PSC-05-0953-FOF-WU
ISSUED: October 6, 2005

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
LISA POLAK EDGAR

ORDER APPROVING TRANSFER OF WATER FACILITIES
AND CANCELLATION OF CERTIFICATE

BY THE COMMISSION:

Sebring Ridge Utilities, Inc. (Sebring Ridge or utility) is a Class C utility providing service to approximately 956 water customers and 486 wastewater customers in Highlands County. The utility was organized in 1968. Sebring Ridge is in the Southwest Florida Water Management District (SWFWMD). SWFWMD advises that the utility is in the Highlands Ridge Water Caution Area, which is a critical use area. Sebring Ridge was granted Certificate Nos. 434-W and 365-S in 1984.¹ The utility rate base was last established in Docket No. 950966-WS.² The utility's 2004 annual report indicates gross revenues of \$253,902 and \$94,668 for water and wastewater, respectively, and net operating losses of \$20,989 for water and \$28,187 for the wastewater system.

On May 6, 2005, Sebring Ridge filed an application for transfer of the utility's water facilities to the City of Avon Park Utilities (The City) and cancellation of Certificate No. 434-W. The City took over the water operations of Sebring Ridge on January 26, 2005. Sebring Ridge will continue to operate its wastewater system under Certificate No. 365-S.

This order addresses the transfer of the utility's water system to the City and the cancellation of Certificate No. 434-W. We have jurisdiction pursuant to Section 367.071, Florida Statutes.

¹ Order No. 13564, issued August 3, 1984, Docket No. 830049-WS, In Re: Application of Sebring Ridge Utilities, Inc. for certificates to operate a water and sewer system in Highlands County, Florida, pursuant to section 367.041, Florida Statutes.

² Order No. PSC-96-0869-FOF-WS, issued July 2, 1996, Docket No. 950966-WS, In Re: Application for Staff-Assisted Rate case in Highlands County by Sebring Ridge Utilities, Inc.

DOCUMENT NUMBER: DATE

09554 OCT-6 05

PSC-COMMISSION OF FLORIDA

On July 20, 2005, Sebring Ridge completed its application to transfer its water facilities to the City pursuant to Section 367.071(4)(a), Florida Statutes, and Rule 25-30.037(4), Florida Administrative Code. Included with the application is a copy of the executed Agreement for Purchase and Sale which states the closing date was January 26, 2005. According to the application, the City took over water operations of the utility on January 26, 2005. Therefore, the effective date of the transfer of the water system is January 26, 2005. Sebring Ridge will continue to operate its wastewater system and obtain meter readings from the city for billing.

Pursuant to Section 367.071(4)(a), Florida Statutes, the transfer of facilities to a governmental authority shall be approved as a matter of right. As such, no notice of the transfer is required and no filing fees apply.

The application contains a statement that the City obtained Sebring Ridge's most recent income and expense statement, balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction pursuant to Rule 25-30.037(4)(e), Florida Administrative Code. The application contains a statement that customer deposits and any accrued interest were credited to the customers' accounts.

Sebring Ridge has no outstanding regulatory assessment fees and no fines or refunds are owed. The utility has filed its 2004 annual report and paid its 2004 RAFs and there are no outstanding penalties and interest. Sebring Ridge has paid the water RAFs for the period of January 1, 2005, through January 26, 2005, and the wastewater RAFs for the period of January 1, 2005, through June 30, 2005. Sebring Ridge is not required to file an annual report for the water system for the period of January 1, 2005, through January 26, 2005, because of the transfer to the City.

Accordingly, the application is in compliance with the provisions of Rule 25-30.037, Florida Administrative Code. Pursuant to Section 367.071(4)(a), Florida Statutes, the transfer of facilities to a governmental authority shall be approved as a matter of right. Therefore, we approve the transfer of Sebring Ridge's water facilities to the City as a matter of right and Certificate No. 434-W shall be cancelled effective January 26, 2005.

We note, however, that our staff is currently handling a customer billing dispute for water and wastewater service by William Bullock (#649594-W) over which we will continue to have jurisdiction until the complaint is resolved. Charlotte County v. General Development Utilities, Inc., 653 So. 2d 1081 (Fla. 1st DCA 1995).


Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of Sebring Ridge Utilities, Inc.'s water facilities to the City of Avon Park Utilities is approved as a matter of right. It is further

ORDERED that Certificate No. 434-W be cancelled effective January 26, 2005. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 6th day of October, 2005.



BLANCA S. BAYO, Director
Division of the Commission Clerk
and Administrative Services

(S E A L)

JAR

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.