

VOTE SHEET

August 23, 2011

Docket No. 100114-WS – Application for approval of transfer of Horizon Homes of Central Florida, Inc. and Five Land Group, LLC's water and wastewater systems to Aqua Utilities Florida, Inc., and for amendment of Certificate Nos. 507-W and 441-S, in Sumter County.

Issue 1: Should the transfer of Horizon Homes of Central Florida, Inc. and Five Land Group, LLC's Jumper Creek water and wastewater systems to Aqua Utilities Florida, Inc. and amendment of Certificate Nos. 507-W and 441-S in Sumter County be approved?

Recommendation: Yes, the transfer is in the public interest and should be approved effective December 31, 2007. The territory being transferred is described in Attachment A of staff's memorandum dated August 11, 2011. The resultant order should serve as AUF's water and wastewater certificates and should be retained by AUF. AUF should continue to be responsible for submitting all future annual reports and remitting regulatory assessment fees for the Jumper Creek systems. Within 30 days of the date of the order approving the transfer, AUF should be required to file a recorded copy of the warranty deed for the land on which the water and wastewater treatment facilities are located.

APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

Handwritten signatures of three commissioners under the MAJORITY column.

Four horizontal lines for signatures under the DISSENTING column.

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

06045 AUG 23 =

FPSC-COMMISSION CLERK

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**Issue 2:** What is the net book value for the Jumper Creek water and wastewater systems as of December 31, 2007?

**Recommendation:** The net book value for transfer purposes as of December 31, 2007, is \$327,494 for Jumper Creek's water system and \$176,581 for the wastewater system, as shown on Schedule No. 1 of staff's memorandum dated August 11, 2011. AUF should be required to record the balances as of December 31, 2007, as shown on No. 1 for Jumper Creek's water and wastewater plant and accumulated depreciation accounts, pursuant to the National Association of Regulatory Utility Commissioners' Uniform System of Accounts. Within 30 days of the date of the final order, AUF should be required to provide a statement that its books have been updated to reflect the Commission-approved net book values and balances and that these numbers will also be reflected in the Utility's 2011 annual report.

**APPROVED**

**Issue 3:** Should an acquisition adjustment be recognized for rate-making purposes?

**Recommendation:** Yes. Pursuant to revised Rule 25-30.0371, F.A.C., a negative acquisition adjustment of \$197,095 for the Jumper Creek water system and \$106,165 for the wastewater system should be recognized for rate-making purposes. Beginning with the date of the issuance of the order approving the transfer, 50 percent of the negative acquisition adjustment, which is \$98,548 for the water system and \$53,082 for the wastewater system, should be amortized over a seven-year period and the remaining 50 percent should be amortized over the remaining life of the assets.

**APPROVED**

**Issue 4:** Should the Utility's existing rates and charges be approved?

**Recommendation:** Yes. The existing water and wastewater rates shown on Schedule No. 2 of staff's memorandum dated August 11, 2011, should be approved for the Jumper Creek water and wastewater systems. AUF should be required to charge the approved rates and charges until authorized to change them by this Commission in a subsequent proceeding. The rates should be effective for services rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C.

**APPROVED**

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**Issue 5:** Should AUF's request for meter installation charges be approved?

**Recommendation:** Yes. AUF's request for meter installation charges shown on Schedule No. 2 of staff's memorandum dated August 11, 2011, should be approved. AUF should be required to charge the approved charges until authorized to change them by this Commission in a subsequent proceeding. The charges should be effective for connections made on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C.

**APPROVED**

**Issue 6:** Should AUF's request for initial customer deposits, miscellaneous service charges, and late payment charge be approved?

**Recommendation:** Yes. AUF's request for initial customer deposits, miscellaneous service charges, and late payment charge shown on Schedule No. 2 of staff's memorandum dated August 11, 2011, are consistent with Commission rules and should be approved. AUF should be required to charge the approved charges until authorized to change them by this Commission in a subsequent proceeding. The Utility should be required to file a proposed customer notice to reflect the Commission-approved charges for the water and wastewater systems. The approved charges should be effective for services rendered on or after the stamped approval date of the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charges should not be implemented until staff has approved the proposed customer notice. The Utility should provide proof of the date notice was given within ten days after the date of the notice.

**APPROVED**

**Issue 7:** Should this docket be closed?

**Recommendation:** Yes. If no protest to the proposed agency action issues is filed by a substantially affected person within 21 days of the date of the order, a consummating order should be issued and the docket closed administratively upon receipt of a recorded warranty deed and a statement that AUF's books have been updated to reflect the Commission-approved net book values and account balances for the Jumper Creek systems and that these numbers will also be reflected in the Utility's 2011 annual report.

**APPROVED**