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STATE OF FLORIDA



MARSHALL WILLIS, DIRECTOR  
DIVISION OF ECONOMIC REGULATION  
(850) 413-6900

Public Service Commission

March 19, 2012

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COMMISSION  
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Mr. Oswaldo Torres  
C/O Village of Tampa  
1201 E Skipper Rd  
Tampa, FL 33613

**Re: Docket No. 120014-WS, Application for authority to transfer of facilities and Certificate Nos. 548-W and 478-S from W.P. Utilities, Inc. to CAP Utilities, LLC, in Palm Beach County.**

Dear Mr. Torres:

Staff has reviewed the above reference application for authority to transfer the facilities and certificates of W.P. Utilities, Inc. (W.P., seller, utility) to CAP Utilities, LLC (CAP, applicant) and has identified the following deficiencies.

**Deficiencies**

- 1. Contract.** Rule 25-30.037(2)(g) and (h), Florida Administrative Code (F.A.C.), requires a copy of the contract for sale and all auxiliary or supplemental agreements, which include the purchase price and terms of payment; a list of the assets purchased and liabilities assumed or not assumed; a description of all consideration between the parties; and the disposition, where applicable, of customer deposits and interest thereon, guaranteed revenue contracts, developer agreements, customer advances, debt of the utility, and leases. The application indicates that a copy of the contract was provided as Exhibit III, but that was not the information provided in Exhibit III. Please provide a contract of the contract and all auxiliary or supplemental agreements
- 2. Transfer Date.** Pursuant to Section 367.071(1), Florida Statutes (F.S.), no utility shall sell, assign, or transfer its certificate of authorization without determination and approval of the Commission. The statute also provides that a sale, assignment, or transfer of certificates may occur prior to Commission approval if the contract is made contingent upon Commission approval. Since the application does not currently contain a copy of the contract, staff cannot determine whether the transfer has occurred and, if so, whether the contract contained provisions for the transfer to be contingent upon Commission approval.
- 3. Buyer.** Rule 25-30.037(2)(b) through (e), F.A.C., requires specific information regarding the buyer. The transfer application indicates that CAP was created by its sole owner, Cal-Am

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Internet E-mail: [contact@psc.state.fl.us](mailto:contact@psc.state.fl.us)

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Properties, Inc., to become the transferee of W.P.'s certificates. However, pages 3 through 5 of the application indicate that the contract buyer will be Palm Breezes MHP, LLC (Palm Breezes), with CAP providing maintenance and operation of the distribution and collection systems. Please provide a description of the relationship between Palm Breezes and CAP, along with the reason for CAP being the regulated entity.

- 4. Noticing and Affidavits of Noticing.** Rule 25-30.030, F.A.C., requires notice of transfer applications and prescribes the format for the notice, the entities to which notice must be given, and affidavits of noticing. The application indicates that the affidavits of noticing would be late-filed. Since no affidavits have been filed, it is presumed that notice of the application has not yet been given. A sample notice is available on page 10 of the Transfer of Certificates application package that can be found in the "Water and Wastewater Application Packages" on the Commission website [www.floridapsc.com](http://www.floridapsc.com). You can access the application packages by selecting the Water and Wastewater drop-down under the "Utility Regulation" tab. It is important that the notice be in the correct format and contain a correct territory description. As such, I recommend you contact technical staff listed below for assistance with the noticing form, procedures, and affidavits. Meanwhile, attached to this letter is the list of entities in Palm Beach County which must receive notice. Notice will also need to be given to customers of the utility and published in a local newspaper of general circulation. Finally, affidavits of all three notices must be filed in the docket.

For assistance with the above requested information, please contact technical staff, Patricia Brady at (850) 413-6686 or [pbrady@psc.state.fl.us](mailto:pbrady@psc.state.fl.us), or legal staff, Ralph Jaeger, Esq., at (850) 413-6076 or [rjaeger@psc.state.fl.us](mailto:rjaeger@psc.state.fl.us). Otherwise, please file your response on or before April 16, 2012. Your response should identify Docket Number 120014-WS and either be filed electronically at [filings@psc.state.fl.us](mailto:filings@psc.state.fl.us) or mailed directly to:

Ann Cole, Director  
Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Sincerely,



Patti Daniel  
Public Utilities Supervisor  
Bureau of Certification, Economics, and Tariffs

PD/pb:lr

Attachment

cc: Division of Economic Regulation (Brady)  
Office of the General Counsel (Jaeger)  
Office of Commission Clerk (Docket No. 120014-WS)