

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint notice of transfer of Rainbow Springs Utilities, L.C., and water and wastewater assets located in Marion County to the City of Dunnellon, Florida and request for cancellation of certificates.

DOCKET NO. 120011-WS
ORDER NO. PSC-12-0133-FOF-WS
ISSUED: March 21, 2012

ORDER APPROVING TRANSFER
AND CANCELLATION OF CERTIFICATES

BY THE COMMISSION:

Rainbow Springs Utilities, L.C. (Rainbow Springs or Utility) is a Class B water and wastewater utility located in southwest Marion County in the St. Johns River Water Management District. The Utility serves approximately 2,440 water and 1,482 wastewater customers. Rainbow Springs' 2010 annual report indicates that the Utility had combined gross operating revenues of \$1,088,291 and net operating income of \$77,496.

In 1982, the Commission granted Rainbow Springs Certificate Nos. 355-W and 311-S.¹ The Utility subsequently experienced a name change in 1995² and a transfer of majority organizational control in 1998.³ On January 6, 2012, Rainbow Springs applied for the transfer of its water and wastewater facilities and territory to the City of Dunnellon (City) and cancellation of its Certificate Nos. 355-W and 311-S.

Section 367.071(4), Florida Statutes (F.S.), states that the sale 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 included a copy of the Agreement for Purchase and Sale of Water and Wastewater Assets By and Between Rainbow Springs Utilities, L.C. and City of Dunnellon, Florida (Agreement), dated December 28, 2011. The effective date of the sale and transfer of the Utility's facilities and assets was December 30, 2011. Pursuant to Rule 25-30.037(4)(d), Florida Administrative Code (F.A.C.), the application affirmed that upon the effective date of the sale, the Utility retained no assets that would constitute a system providing or proposing to provide water or wastewater service to the public for compensation.

¹ See Order No. 10846, issued June 3, 1982, in Docket No. 810352-WS, In re: Application of Rainbow Springs Utilities, Inc. for a water and sewer certificate in Marion County, Florida.

² See Order No. PSC-95-1305-FOF-WS, issued October 24, 1995, in Docket No. 950599-WS, In re: Request for name change on Certificates Nos. 355-W and 311-S in Marion County from Rainbow Springs Utilities, Inc. to Rainbow Springs Utilities, L.C.

³ See Order No. PSC-98-0593-FOF-WS, issued April 27, 1998, in Docket No. 971195-WS, In re: Application for transfer of majority organizational control of Rainbow Springs Utilities, L.C., holder of Certificates Nos. 311-S and 355-W in Marion County, from Rainbow Springs Limited, a Florida limited partnership, to the individual shareholders of Chase Ventures, Inc.

DOCUMENT NUMBER DATE

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FPSC-COMMISSION CLERK

The application contained a statement that the City obtained from Rainbow Springs a copy of the Utility's most recent available income and expense statement, balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction, as required by Section 367.071(4)(a), F.S., and Rule 25-30.037(4)(e), F.A.C. In accordance with Rule 25-30.037(4)(g), F.A.C., the application specified that all Utility customers with deposits on hand were credited with accrued interest as of November 15, 2011. A list of outstanding deposits and accrued interest from that date through the closing date was provided with the application. These outstanding deposits were transferred to the City at the time of closing, as stated in the application, and shall be maintained by the City in accordance with its policies and procedures.

Rainbow Springs has paid regulatory assessment fees (RAFs) for January 1 through December 30, 2011, and all prior years, pursuant to Rule 25-30.120, F.A.C. No RAFs were accrued or due from that time forward. In accordance with Rule 25-30.110, F.A.C., Rainbow Springs has filed annual reports for 2010 and prior years. Pursuant to Rule 25-30.110(3), F.A.C., the Utility shall not be required to file a 2011 annual report.

The Commission has jurisdiction over this matter pursuant to Sections 367.071 and 367.022(2), F.S., and Rule 25-30.037(4), F.A.C. In addition, pursuant to Section 2.07(C)(4)d of the Administrative Procedures Manual, Commission staff has been given administrative authority to approve transfers to governmental entities that are in compliance with Section 367.071(4)(a), F.S., and are not controversial in nature.

Based on all of the above, the Commission acknowledges the transfer of Rainbow Spring's water and wastewater facilities and territory to the City of Dunnellon (City) pursuant to 367.071(4), Florida Statutes (F.S.) and cancellation of its Certificate Nos. 355-W and 311-S.

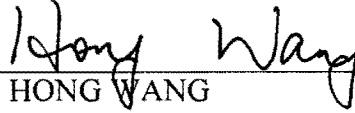
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of Rainbow Springs' water and wastewater facilities and territory to the City of Dunnellon as a matter of right, pursuant to Section 367.071(4)(a), F.S., is hereby acknowledged.

ORDERED by the Florida Public Service Commission that Certificate Nos. 355-W and 311-S are hereby cancelled effective December 30, 2011.

ORDERED that no further action is necessary and this docket shall be closed.

By ORDER of the Florida Public Service Commission this 21st day of March, 2012.



HONG WANG
Chief Deputy Commission Clerk
Florida Public Service Commission
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Tallahassee, Florida 32399
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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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 Office of Commission Clerk, 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 Office of Commission Clerk, 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.