

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: June 11, 2013
TO: Ann Cole, Commission Clerk, Office of Commission Clerk
FROM: Melissa L'Amoreaux, Engineering Specialist II, Division of Engineering
RE: Notice of transfer as a matter of right of certain Aqua Utilities Florida, Inc.'s water and wastewater facilities located in DeSoto County, Florida to DeSoto County, and request for cancellation of certificates. Docket No. 130128-WS

RECEIVED
13 JUN 12 PM 1:00
COMMISSION CLERK
Ann Cole

Please place the attached document in the above referenced docket file. The document is a request for an administrative order granting the approval of transfer and the cancellation of certificates.

DOCUMENT NUMBER - DATE

03262 JUN 12 20

FPSC-COMMISSION CLERK



Public Service Commission

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DATE: June 11, 2013

TO: Jennifer S. Crawford, Attorney Supervisor, Office of the General Counsel

FROM: Melissa L'Amoreaux, Engineering Specialist II, Division of Engineering
Todd M. Brown, Public Utility Analyst IV, Division of Accounting & Finance
Clayton K. Lewis, Utilities System/Engineering Spec Supervisor, Division of Engineering

RE: Administrative approval of a transfer to a governmental entity in Docket No. 130128-WS, Notice of transfer as a matter of right of certain Aqua Utilities Florida, Inc.'s water and wastewater facilities located in DeSoto County, Florida to DeSoto County, and request for cancellation of certificates.

Aqua Utilities Florida, Inc. (Aqua or Utility) is a Class A water and wastewater utility providing service to approximately 589 water and 297 wastewater customers in DeSoto County. Water and wastewater rates were last established for this Utility in its 2010 rate case.¹

On May 1, 2013, Aqua filed an application for transfer of certain water and wastewater facilities to Desoto County and cancellation of certificates 599-W (Water), and 514-S (Wastewater). Pursuant to Section 367.071(4), Florida Statutes (F.S.), 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 an Agreement for Purchase and Sale of Water and Wastewater Assets between Aqua and DeSoto County, which closed April 24, 2013. Pursuant to Section 367.071(4)(a), F.S., and Rule 25-30.037(4)(e), Florida Administrative Code (F.A.C.), the Utility included a statement that DeSoto County obtained the most recent income statements, the most recent balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction. In accordance with Rule 25-30.037(4)(g), F.A.C., the Utility specified that it applied deposits to any customer account with a past due balance. For the remaining deposits, Aqua applied the interest to the customers' accounts and the remaining balance has been transferred to DeSoto County. On April 23, 2013, Aqua filed its 2012 Annual Report pursuant to Rule 25-30.110, F.A.C. Aqua will be responsible for regulatory assessment fees accrued from January 1, 2013, to closing. Because the systems in DeSoto County will no longer be under the Commission's jurisdiction as of December 31, 2013, annual reports for 2013 will not be required.

¹ See Order No. PSC-12-0102-FOF-WS, issued March 5, 2012, in Docket No. 100330-WS, In re: Application for increase in water/wastewater rates in Alacha, Brevard, Desoto, Hardee, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc.

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Ms. Jennifer Crawford

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The Commission has jurisdiction pursuant to Section 367.071, F.S. Also, pursuant to Section 2.07(c)(4)(d) of the Administrative Procedures Manual, 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 the above, staff recommends that the application is in compliance with Section 367.071(4)(a), F.S., and Rule 25-30.037(4), F.A.C. Staff recommends that the Commission acknowledge the transfer of water and wastewater systems to DeSoto County as a matter of right, pursuant to Section 367.071(4)(a), F.S., and cancel the certificates effective April 24, 2013. In addition, staff recommends that the docket be closed because no further action is necessary.