

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: April 22, 2016

TO: Office of Commission Clerk (Stauffer)

FROM: Division of Economics (Johnson) *SH*
Office of the General Counsel (Leathers) *CSPP*
mfj

RE: Docket No. 160023-WU – Application for transfer of majority organizational control of Sunny Shores Water Company, Inc., holder of Certificate No. 578-W in Manatee County, from Jack E. Mason to Jack E. Mason, II and Debbie A. Mason.

AGENDA: 05/05/16 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 05/23/16 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

RECEIVED-FPSC
2016 APR 22 AM 11:38
COMMISSION
CLERK

Case Background

Sunny Shores Water Company, Inc. (Sunny Shores or utility) is a Class C water utility serving approximately 262 customers in Manatee County. Sunny Shores' 2014 annual report shows gross revenue of \$77,727 and a net operating income of \$2,887. Sunny Shores' service area lies in the Southwest Florida Water Management District.

On January 15, 2016, Sunny Shores filed an application for transfer of majority organizational control (TMOC). Subsequently, On March 24, 2016, Sunny Shores filed a request for a late payment charge. This recommendation addresses the utility's request for a late payment charge. Staff is in the process of reviewing the application for TMOC, which remains deficient. The Commission has jurisdiction pursuant to Section 367.091, Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the Commission suspend Sunny Shores' request to establish a late payment charge?

Recommendation: Yes. Sunny Shores' request to establish a late payment charge should be suspended to allow staff sufficient time to review the utility's cost justification. (Johnson)

Staff Analysis: Pursuant to Section 367.091(6), F.S., the Commission may withhold consent to the operation of any or all portions of new rate schedules by a vote to that effect within 60 days, giving a reason or statement of good cause for withholding its consent. Staff is recommending that Sunny Shores' request for a late payment charge be suspended to allow staff sufficient time to review the application and gather all pertinent information to present the Commission an informed recommendation on the request, consistent with Section 367.091(6), F.S. Staff sent a data request to the utility on April 22, 2016, in regards to the late payment charge, and the utility's response is due on May 13, 2016. Based on the above, staff recommends that Sunny Shores' request for a late payment charge be suspended to allow staff sufficient time to review the utility's cost justification.

Issue 2: Should this docket be closed?

Recommendation: No. The docket should remain open pending the Commission's final action on this docket. (Johnson, Leathers)

Staff Analysis: The docket should remain open pending the Commission's final action on this docket.