

STATE OF FLORIDA



COMMISSIONERS:
JULIE I. BROWN, CHAIRMAN
LISA POLAK EDGAR
ART GRAHAM
RONALD A. BRISÉ
JIMMY PATRONIS

DIVISION OF ENGINEERING
TOM BALLINGER
DIRECTOR
(850) 413-6910

Public Service Commission

July 6, 2016

Mr. Michael Smallridge
3336 Grand Blvd., Suite 102
Holiday, Florida 34690-2249

VIA US MAIL & EMAIL

Re: Docket No. 160144-WU-Application for transfer of Certificate No. 288-W in Pasco County from Orangeland Water Supply to Orange Land Utilities, LLC.

Dear Mr. Smallridge:

Public Service Commission staff has reviewed Orangeland Water Supply's application to transfer its water service to Orange Land Utilities, LLC. After reviewing this information we find the application to be deficient. The specific deficiencies are identified as:

- 1. Assets and Liabilities.** Rule 25-30.037(2)(j)3., Florida Administrative Code (F.A.C.) requires a list of and the dollar amount of the assets and liabilities assumed or not assumed of non-regulated operations or entities. Please provide a list of the specific assets and liabilities including the dollar amounts allocated to each.
- 2. Financial Statements.** Rule 25-30.037(2)(l)2., F.A.C., requires a list of all entities, including affiliates, upon which the buyer is relying to provide funding to the utility and an explanation of the manner and amount of such funding. The list need not include any person or entity holding less than 5 percent ownership interest in the utility. The applicant shall provide copies of any financial agreements between the listed entities and the utility and proof of the listed entities' ability to provide funding, such as financial statements. Please provide the current financial statements of Michael Smallridge. The financial statements may be filed confidentially.
- 3. Net Book Value.** Rule 25-30.037(2)(o), F.A.C., requires the proposed net book value of the system as of the date of the proposed transfer. Please provide a proposed net book value of the system.

Mr. Michael Smallridge
July 6, 2016
Page 2


4. Notice of Application. Rule 25-30.030 (4), F.A.C., requires the Notice of Application to state the following:

- (a) The date the notice is given.
- (b) The name, address, telephone number, and, if available, email address, and fax number of the applicant.
- (c) The common name of developments served by the utility.
- (d) The application docket number and title, if available.
- (e) The common reference of street names bordering the area served by the utility, if applicable.
- (f) A description of the service area proposed to be served, extended, deleted, or transferred as provided by Rule 25-30.029, F.A.C. An abbreviated description using section, township, and range of the subject service area may be provided so long as the notice contains a disclosure that the legal description has been simplified and that a complete legal description can be obtained from the applicant.
- (g) If applicable, the notice shall include a statement that the utility is not requesting any changes to its rates, classifications, charges, rules, and regulations in the application; and,
- (h) A statement that any objections to the application must be filed with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, no later than 30 days after the last date that the notice was mailed or published.

The sample application provided does not appear to provide the required information. Please provide a draft notice that adequately meets these requirements.

Staff is unable to process and finalize the transfer request until the deficiencies have been resolved. A response to this letter is requested by **July 26, 2016**. Should you have any questions, please contact Clayton Lewis by phone at (850) 413-6578 or email clewis@psc.state.fl.us.

Sincerely,



Clayton Lewis
Engineering Specialist
Division of Engineering

CL: tj

cc: Office of Commission Clerk (Docket No. 160144-WU)