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DIVISION OF ENGINEERING  
TOM BALLINGER  
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(850) 413-6910

# Public Service Commission

November 25, 2019

Mr. Michael Smallridge  
Sunny Shores Utilities, LLC  
5911 Trouble Creek Rd  
New Port Richey, FL 34652  
mike@FUS1LLC.com

VIA EMAIL & US MAIL

**Re: Docket No. 20190182-WS - Application to transfer facilities and Certificate No. 578-W from Sunny Shores Water Co. to Sunny Shores Utilities, LLC, in Manatee County.**

Dear Mr. Smallridge:

Florida Public Service Commission (Commission) staff has reviewed the application for transfer (application) submitted on behalf of the Sunny Shores Water Co. (Seller or Utility) and Sunny Shores Utilities, LLC (Sunny Shores or Buyer) on September 18, 2019. After reviewing this information we find the application to be deficient. The specific deficiencies are identified as:

1. **Filing Fee.** Rule 25-30.037(2)(a), Florida Administrative Code (F.A.C.), requires that the applicant remit a filing fee pursuant to Rule 25-30.020(2)(c), F.A.C., which states:

For an application for transfer or change in majority organizational control filed pursuant to Section 367.071, F.S., the amount of the fee shall be as follows:

1. For applications in which the utility to be transferred has the capacity to serve up to 500 ERCs, \$750;
2. For applications in which the utility to be transferred has the capacity to serve from 501 to 2,000 ERCs, \$1,500;
3. For applications in which the utility to be transferred has the capacity to serve from 2,001 to 4,000 ERCs, \$2,250;
4. For applications in which the utility to be transferred has the capacity to serve more than 4,000 ERCs, \$3,000.

The Sunny Shores water distribution system has the capacity to serve less than 501 equivalent residential connections (ERCs). Therefore, the correct filing fee pursuant to Rule 25-30.037(2)(c)1., F.A.C., is \$750. On September 20, 2019, the Utility remitted a check in the amount of \$500, leaving a balance owed of \$250. Please remit the remainder of the filing fee.

2. **Notice of Application.** Rule 25-30.037(2)(b), F.A.C., requires that the applicant provide proof of noticing pursuant to Rule 25-30.030, F.A.C. The Rule requires that the notice of application be provided to the Office of Commission Clerk for Commission staff approval prior to distribution and that it contain certain specified information (paragraph 4), that the utility obtain a list of certain entities required to be noticed by the utility from Commission staff (paragraph 2), and that the utility provide affidavits of noticing as required by Sections 367.045(1)(c) and (2)(f), Florida Statutes (paragraph 6). Please provide a copy of the notice(s) required for distribution in accordance with Rule 25-30.030(4), F.A.C., to the Office of Commission Clerk for Commission staff approval. Once Commission staff approval of the notice(s) is obtained, please submit a request for the list of entities to receive notice from Commission staff in accordance with Rule 25-30.030(2), F.A.C. Finally, once notice has been issued in accordance with Rule 25-30.030(5), F.A.C., please submit affidavits of noticing in accordance with Rule 25-30.030(6), F.A.C.
3. **Seller Information.** Rule 25-30.037(2)(c), F.A.C., requires that the applicant provide specified information relating to the seller, including authorized representative, and, if available, email address and fax number. Please provide the name of the individual who is the authorized representative of the Seller, as well as the email address and fax number of the Seller.
4. **Buyer Information.** Rule 25-30.037(2)(d), F.A.C., requires that the applicant provide specified information relating to the buyer, including its fax number, if available. The applicant did not provide a fax number. Please provide the Buyer's fax number, or state that the requested information is unavailable, if applicable.
5. **Books and Records.** Rule 25-30.037(2)(e), F.A.C., requires that the fax number of the person in possession of the books and records be provided. Please provide, if available, the fax number for this person.
6. **Florida Department of State, Division of Corporations Documentation.** Rule 25-30.037(2)(f)1. and 2., F.A.C., requires that the applicant provide the nature of the buyer's business organization, and documentation from the Florida Department of State, Division of Corporations, showing: (1) The utility's business name and registration/document number for the business, unless operating as a sole proprietor; and, (2) The utility's fictitious name and registration number for the fictitious name, if operating under a fictitious name. Please provide the required documentation from the Florida Department of State, Division of Corporations.
7. **Assets and Liabilities.** Rule 25-30.037(2)(j)3., F.A.C., requires the buyer provide a list of and the dollar amount of all assets purchased and liabilities assumed or not assumed including those of non-regulated operations or entities. Please provide documentation of all assets included in the purchase and all liabilities assumed or not assumed.
8. **Provision for disposition.** Rule 25-30.037(2)(j)5., F.A.C., requires the buyer provide documentation of provisions for the disposition, where applicable, of customer deposits and interest thereon, guaranteed revenue contracts, developer agreements, customer

advances, debt of the utility, and leases. Please provide documentation of all applicable provisions.

9. **Detailed Financial Statement.** Rule 25-30.037(2)(l)1., F.A.C., requires the buyer provide a detailed financial statement (balance sheet and income statement), audited if available, of the financial condition of the applicant that shows all assets and liabilities of every kind and character. To demonstrate the financial ability of the buyer to maintain and operate the acquired utility, please provide a current, detailed balance sheet and income statement of the buyer.
10. **Permits.** Rule 25-30.037(2)(r), F.A.C., requires that the applicant provide: (1) a copy of the utility's current permits from the Florida Department of Environmental Protection (DEP) and the water management district (WMD); (2) a copy of the **most recent** DEP and/or county health department sanitary survey, and secondary standards drinking water report; (3) a copy of all of the utility's correspondence with the DEP, county health department, and the WMD, including consent orders and warning letters, and the utility's responses to the same, for the past five years; and (4) a copy of all customer complaints that the utility has received regarding DEP secondary water quality standards during the past five years. Please obtain the required documents from the DEP, WMD, or the Seller, as appropriate, and provide the required documents and information.

Your application will not be deemed filed until the deficiencies identified in this letter have been corrected and the filing fee paid. These corrections and the filing fee should be submitted no later than December 23, 2019, to the following address:

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

Should you have any questions concerning the information in this letter, please feel free to contact Ms. Kerri Johnson by phone at (850) 413-6836 or email [Kerri.Johnson@psc.state.fl.us](mailto:Kerri.Johnson@psc.state.fl.us) for technical questions, or Ms. Bianca Lherisson by phone at (850) 413-6630 or email [BLheriss@psc.state.fl.us](mailto:BLheriss@psc.state.fl.us) for legal questions. Please include the docket number on all submissions to the Commission Clerk.

Sincerely,



Kerri Johnson  
Engineering Specialist

KJ:jp

cc: Office of Commission Clerk (Docket No. 20190182-WS)