

FLORIDA PUBLIC SERVICE COMMISSION

Item 20

VOTE SHEET

FILED 6/18/2024  
DOCUMENT NO. 06658-2024  
FPSC - COMMISSION CLERK

June 18, 2024

Docket No. 20230111-SU – Application for authority to transfer wastewater facilities and Certificate No. 537-S in Okeechobee County from The Vantage Development Corporation to Vantage Oaks Utility, LLC.

**Issue 1:** Should Vantage Oaks be required to show cause why it should not be fined for an apparent violation of Section 367.071(1), F.S., and Rule 25-30.037(1)(a), Florida Administrative code (F.A.C.), for failing to obtain Commission approval prior to the transfer of its assets, and failing to submit an application to the Commission for authority to transfer no later than 90 days after the sale closing date?

**Recommendation:** No. Staff recommends that the Utility's apparent violation of Section 367.071(1), F.S., and Rule 25-30.037(1)(a), F.A.C., does not rise to the level which warrants the initiation of a show cause proceeding. However, Vantage Oaks should be placed on notice that show cause proceedings may be initiated if further violations of Commission laws or rules regarding the transfer of certificates are identified.

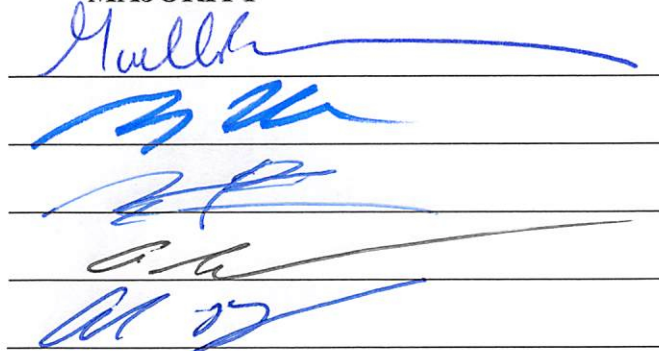
**APPROVED**

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING



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REMARKS/DISSENTING COMMENTS:

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**Issue 2:** Should the transfer of Certificate No. 537-S in Okeechobee County from The Vantage Development Corporation to Vantage Oaks Utility, LLC be approved?

**Recommendation:** Yes. The transfer of the wastewater system and Certificate No. 537-S is in the public interest and should be approved effective the date of the Commission’s vote. The resultant Order should serve as the Buyer’s certificate and should be retained by the Buyer. The Utility’s existing rates and initial customer deposits, as shown on Schedule No. 2 of staff’s memorandum dated June 6, 2024, should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. The Utility is current with respect to regulatory assessment fees (RAFs) and annual reports, and should be responsible for filing annual reports and paying RAFs for all future years.

**APPROVED**

**Issue 3:** What is the appropriate net book value for Vantage Oaks Utility, LLC’s wastewater system for transfer purposes?

**Recommendation:** The net book value of the wastewater system for transfer purposes is \$57,409 as of June 30, 2022. Within 90 days of the date of the consummating order, Vantage Oaks should be required to notify the Commission in writing that it has adjusted its books in accordance with the Commission’s decision. The adjustments should be reflected in the Utility’s 2024 Annual Report when filed.

**APPROVED**

**Issue 4:** Should an acquisition adjustment be recognized for ratemaking purposes?

**Recommendation:** Yes. Pursuant to Rule 25-30.0371(3), F.A.C., a negative acquisition adjustment of \$42,227 should be recognized for ratemaking purposes. Beginning with the date of the issuance of the Final Order approving the transfer, half of the negative acquisition adjustment should be amortized over a 7-year period and the other half amortized over the remaining life of the Utility’s assets, or about four years, in accordance with Rule 25-30.0371(4)(b)2., F.A.C.

**MOOT**

The revised bill of sale filed by Mr. Deterding on 6/14/24 is accepted. (Document No. 06501-2024)

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**Issue 5:** Should Vantage Oaks Utility, LLC’s miscellaneous service charges be revised to conform to Rule 25-30.460, F.A.C.?

**Recommendation:** Yes. Staff recommends the miscellaneous service charges should be revised to conform to Rule 25-30.460, F.A.C. The tariff should be revised to reflect the removal of initial connection and normal reconnection charges. The Utility should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date notice was given, no less than 10 days after the date of the notice. The Utility should be required to charge the approved miscellaneous services charges until authorized to change them by the Commission in a subsequent proceeding.

**APPROVED**

**Issue 6:** Should this docket be closed?

**Recommendation:** Yes. If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively upon Commission staff’s verification that the revised tariff sheets have been filed, that proof has been provided that appropriate noticing has been done pursuant to Rule 25-30.475, F.A.C., and that within 90 days of the date of the Consummating Order, the Buyer has notified Commission staff in writing that it has adjusted its books in accordance with the Commission’s Order approving the transfer.

**APPROVED**