

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for acknowledgement of)
sale of assets from GATORTOWN UTILS.,)
INC. to THE CITY OF LAKE CITY; cancel-)
lation of Cert. No. 339-S; amendment)
of Cert. 402-W; and change of name)
from GATORTOWN UTILS., INC. to GATOR)
UTILS.)
_____)

DOCKET NO. 910098-WS

ORDER NO. 24645

ISSUED: 6/10/91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
J. TERRY DEASON
BETTY EASLEY
GERALD L. GUNTER
MICHAEL MCK. WILSON

ORDER ACKNOWLEDGING SALE, CANCELING CERTIFICATE NO. 339-S,
AMENDING CERTIFICATE NO. 402-W, ACKNOWLEDGING CORPORATE
REORGANIZATION AND NAME CHANGE, AND CLOSING DOCKET

BY THE COMMISSION:

Gatortown Utilities, Inc. (Gatortown) is a Class C water utility providing service to 113 residential customers. Upon a routine review of Gatortown's annual report, we discovered that the utility had sold its entire wastewater system and a portion of its water system to the City of Lake City (Lake City) in 1989. As a result, Gatortown and Lake City filed a joint application for transfer to a governmental entity. Gatortown has applied all deposits held by it to the customers' final bills and refunded any overages. Commission requirements regarding regulatory assessment fees have been met and there are no dockets pending involving this system.

The provisions of Section 367.071, Florida Statutes, require an application for approval of sales of water and/or wastewater utilities to governmental agencies, although such sales are approved as a matter of right. Subsection 367.022(2), Florida Statutes, exempts from regulation by the Commission systems owned, operated, managed, or controlled by governmental agencies.

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On the basis of the foregoing, we hereby acknowledge the sale of Gatortown's entire wastewater system and a portion of its water system to Lake City. This action will result in Gatortown's wastewater Certificate No. 339-S being canceled and its water Certificate No. 402-W being amended. The utility has submitted both certificates to this Commission.

Gatortown also requested that the Commission acknowledge its change in name from Gatortown Utilities, Inc. to Gator Utilities. However, the request represents more than a name change. The utility reorganized from a corporation to a sole proprietorship; however, this action had no impact upon ownership. The sole stockholder of Gatortown is now the sole proprietor upon reorganization. The utility has filed a revised tariff in the name of Gator Utilities and remitted its certificate for revision. In consideration of the foregoing information, we hereby acknowledge Gatortown's reorganization and the resulting name change from Gatortown Utilities, Inc. to Gator Utilities.

Upon review of the revised tariff, we discovered that Gatortown is charging a water rate that is different than its tariffed rate. The tariff indicates that the water residential rate to three subdivisions served by Gatortown is a monthly \$12.00 flat rate. This rate was approved pursuant to Order No. 12012 issued in Docket No. 820344-WS when in 1982 Gatortown came under this Commission's jurisdiction. Order No. 12012 "grandfathered" Gatortown's existing rates.

The utility is presently charging one of its subdivisions the \$12.00 monthly flat rate while charging the other two subdivisions a metered rate. This metered rate has a minimum monthly charge of \$12.00 which includes 8,000 gallons and a gallonage charge of \$.75 per 1,000 gallons over 8,000. However, Gatortown maintains that both the flat and metered rates have existed since 1981.

We reviewed the file in Docket No. 820344-WS to determine if Gatortown had changed its residential rate or if both rates should have been approved in the grandfather docket. To verify its rates as of the jurisdictional date upon Commission request, Gatortown provided copies of bills for its few residential customers. These bills were all for \$12.00, but were indicated to be minimum bills. We believe, based upon this billing, that we erroneously assumed

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that the only appropriate residential rate was a flat \$12.00 charge and such rate was approved within the utility's tariff. Apparently, Gatortown accepted Order No. 12012 which approved only the flat rate and continued charging the rates which were in effect while under Columbia County's jurisdiction. We have no reason to doubt that the metered rate was in effect at the time Order No. 12012 was issued.

Based upon the above circumstances, the action taken in Order No. 12012 represents a mistake in grandfathering the proper rate. Therefore, Gatortown's tariff must be corrected to reflect both the metered and flat rates which have been in effect since 1981.

In consideration of the above, it is therefore

ORDERED by the Florida Public Service Commission that the sale of Gatortown Utilities, Inc.'s entire wastewater system and a portion of its water system with offices located at West US Highway 90, Lake City, Florida 32055, to the City of Lake City, is hereby acknowledged. It is further

ORDERED that Gatortown Utilities, Inc.'s Wastewater Certificate No. 339-S is hereby canceled and Certificate No. 402-W is hereby amended to reflect the sale to Lake City. It is further

ORDERED that Gatortown Utilities, Inc.'s reorganization from a corporation to a sole proprietorship and resultant name change to Gator Utilities are hereby acknowledged. It is further

ORDERED that Gatortown Utilities, Inc.'s tariff shall be corrected to reflect the proper residential rates which are currently being charged. The corrected tariff shall become effective from the stamped approval date on Gatortown Utilities, Inc.'s tariff. It is further

ORDERED that this docket is hereby closed.

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By ORDER of the Florida Public Service Commission, this
10th day of JUNE, 1991.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

NRF

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.