BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for transfer of facilities in Bay County from Forest Shores Utilities, Inc., to City of Callaway and cancellation of Certificate No. 261-S.

DOCKET NO. 991937-SU
ORDER NO. PSC-00-0426-FOF-SU
ISSUED: March 1, 2000

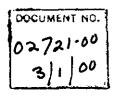
ORDER ACKNOWLEDGING TRANSFER, CANCELING CERTIFICATE, AND CLOSING DOCKET

BY THE COMMISSION:

Forest Shores Utilities, Inc. (Forest Shores or utility) is a Class C wastewater utility located in Bay County, Florida, which was granted Certificate No. 261-S by Order No. 8685, in Docket No. 780034-S, issued January 23, 1979. The utility serves approximately 132 residential wastewater customers. The utility's 1998 annual report lists operating revenues of \$56,598 and a net operating loss of \$1,169. The utility's facilities consist of one wastewater collection system.

On December 16, 1999, Forest Shores filed an application with this Commission for the acknowledgment of the transfer of its wastewater collection system to the City of Callaway (City) and cancellation of Certificate No. 261-S in Bay County pursuant to Section 367.071(4), Florida Statutes, and Rule 25-30.037, Florida Administrative Code. The City is exempt from the Commission's regulation pursuant to Section 367.022, Florida Statutes, because it is a governmental authority. On November 29, 1999, the utility and City executed a Sewer System Purchase Agreement which contained following statement: "The transfer ο£ ownership responsibility for the operation is effective upon approval by the Florida Public Service Commission." This statement meets the requirements of Section 367.071(1), Florida Statutes, which states that a transfer may occur prior to our approval if the contract for sale, assignment, or transfer is made contingent upon Commission approval.

Pursuant to Rule 25-30.037(4)(g), Florida Administrative Code, Forest Shores' application states that the customer deposits have been refunded. Furthermore, the application states that the City has obtained Forest Shores' most recent available income and expense statement, and statement of rate base for regulatory purposes pursuant to Rule 25-30.037(4)(e), Florida Administrative Code.



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Finally, according to our records and Forest application, the utility's annual reports and regulatory assessment fees (RAFs) are current through the end of 1998 and there are no outstanding penalties, interest or refunds owed. Additionally, Forest Shores timely paid its 1999 RAFs for the period of January 1 to October 31, 1999. According to the utility, the City began maintaining the system and billing customers on November 1, 1999. In addition, Forest Shores returned their original certificate for disposal and the utility has no open dockets pending before us.

Based on the foregoing, we find that the application is in compliance with Section 367.071(4), Florida Statutes, and Rule 25-30.037(4), Florida Administrative Code. Pursuant to Section 367.071(4)(a), Florida Statutes, the sale or transfer of facilities to a governmental authority is approved as a matter of right. Accordingly, we hereby acknowledge the transfer of facilities from Forest Shores to the City and cancel Certificate No. 261-S.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of facilities from Forest Shores Utilities, Inc., 6138 E. Highway 98, Panama City, Florida 32404, to City of Callaway, 6601 E. Highway 22, Panama City, Florida 32404, is hereby acknowledged. It is further

ORDERED that Certificate No. 261-S, held by Forest Shores Utilities, Inc., is hereby canceled. It is further

ORDERED that this docket is hereby closed.

By ORDER of the Florida Public Service Commission this 1st day of March, 2000.

> BLANCA S. BAYÓ, Director Division of Records and Reporting

By: _ Kan Jun

Kay Flynn, Chief

Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 and/or wastewater 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. 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.