

State of Florida




Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: November 2, 2015

TO: Margo A. Leathers, Attorney, Office of the General Counsel

FROM: Adam R. Hill, Engineering Specialist II, Division of Engineering 

RE: Docket No. 150189-WU - Application for transfer of water facilities to Marion County Utility, and cancellation of Certificate No. 419-W, by Residential Water System, Inc.

Residential Water System, Inc. (Residential or Utility) is a class B water utility providing service to approximately 712 customers in Marion County. On August 28, 2015, the Commission received a letter from Residential stating the County would purchase the Utility on August 31, 2015. A copy of the contract was subsequently provided to staff.

Pursuant to Section 367.071(4)(a), Florida Statutes (F.S.), and Rule 25-30.037(4)(e), Florida Administrative Code (F.A.C.), the Utility provided copies of the sales agreement, income statements, balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction. In accordance with Rule 25-30.037(4)(g), F.A.C., the Utility stated it did not collect deposits from customers. Residential has paid its regulatory assessment fees for the period of January 1, 2015, to June 30, 2015, and will be required to pay regulatory assessment fees for the period of July 1, 2015, through the date of transfer. The Utility filed its 2014 Annual Report on March 2, 2015. As the Utility will no longer be under the Commission's jurisdiction, an Annual Report for 2015 will not be required.

The Commission has jurisdiction pursuant to Section 367.071, F.S. Also, pursuant to Section 2.07(C)(4)(d) of the Administrative Procedures Manual, staff has been given administrative authority to approve transfers to governmental entities that are in compliance with Section 367.071(4)(a), F.S. and are not controversial in nature. Based on the above, staff believes that the application is in compliance with Sections 367.071 and 367.022(2), F.S., and Rule 25-30.037(4), F.A.C. Staff recommends the Commission acknowledge the transfer of the water system to the Marion County Utility as a matter of right, pursuant to Section 367.071(4)(a), F.S., and cancel Certificate No 419-W effective August 31, 2015. In addition, staff recommends that the docket should be closed because no further action is necessary.