BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

|  |  |
| --- | --- |
| In re: Application for authority to transfer water system and Certificate No. 450-W from Pine Harbour Water Utilities, LLC to Pine Harbour Waterworks, Inc. in Lake County. | DOCKET NO. 160169-WUORDER NO. PSC-17-0043-PAA-WUISSUED: February 2, 2017 |

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman

LISA POLAK EDGAR

ART GRAHAM

RONALD A. BRISÉ

DONALD J. POLMANN

NOTICE OF PROPOSED AGENCY ACTION

ORDER APPROVING INITIAL CUSTOMER DEPOSITS, CONVENIENCE CHARGE, NON-SUFFICIENT FUNDS CHARGE AND NET BOOK VALUE AND

DECLINING TO MAKE AN ACQUISITION ADJUSTMENT

AND

ORDER APPROVING TRANSFER OF CERTIFICATE NO. 450-W FROM PINE HARBOUR WATER UTILITIES, LLC TO PINE HARBOUR WATERWORKS, INC. IN LAKE COUNTY

BY THE COMMISSION:

 NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein, except for approving the transfer of certificate No. 450-W, is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

**Background**

On July 13, 2016, Pine Harbour Waterworks, Inc. (PHWI, Applicant, or Buyer) filed an application for the transfer of Certificate No. 450-W from Pine Harbour Water Utilities, LLC (PHWUL, Utility, or Seller) in Lake County. The service area is located in the St. Johns River Water Management District which has enacted district wide irrigation restrictions. According to the Utility’s 2015 Annual Report, it serves approximately 64 water customers and has operating revenue of $22,395, which designates it as a Class C utility. Wastewater treatment is provided by septic tanks.

The Utility has been under Commission jurisdiction since December 9, 1986, when it was known as Pine Harbour.[[1]](#footnote-1) Certificate No. 450-W was granted to Mr. Earl W. Stockwell in 1990 and was subsequently transferred to Mr. Jim C. Branham in 1991.[[2]](#footnote-2) Upon Mr. Branham’s death on April 14, 2007, the Utility became a part of his estate. On May 11, 2007, the Circuit Court for Lake County, Florida appointed Ms. Sandra Wesson as personal representative of the Estate of Jim C. Branham. During the probate of Mr. Branham’s Estate, the Court granted Ms. Wesson authority to manage and operate the Utility as Pine Harbour Water Utilities. The certificate was subsequently transferred to PHWUL on October 6, 2008.[[3]](#footnote-3) There have been no further certification actions since that time. The current rates and charges for utility service were approved by this Commission in 2010.[[4]](#footnote-4)

This order addresses the transfer of the water system, and the determination of the net book value of the water system at the time of transfer, initial customer deposits, non-sufficient funds charges and convenience charge. On August 15, 2016, PHWI waived the 60-day statutory time frame for this Commission’s decision on the proposed service charges as set forth in Section 367.091(6), Florida Statutes (F.S.).[[5]](#footnote-5) This Commission has jurisdiction pursuant to Sections 367.071 and 367.091, F.S.

**certificate transfer**

On July 13, 2016, Pine Harbour Waterworks, Inc. filed an application for the transfer of Certificate No. 450-W from Pine Harbour Water Utilities, LLC in Lake County. The application is in compliance with Section 367.071, F.S., and Commission rules concerning applications for transfer of certificates. The sale occurred on June 29, 2016, contingent upon this Commission’s approval, pursuant to Section 367.071(1), F.S.

**Noticing, Territory, and Land Ownership**

On August 16, 2016, PHWI was notified that its application was not in compliance with the noticing provisions set forth in Section 367.071, F.S., and Rule 25-30.030, Florida Administrative Code (F.A.C.) PHWI filed a corrected notice on September 9, 2016. No objections to the transfer were filed, and the time for doing so has expired. The application contains a description of the water service territory which is appended to this Order as Attachment A. The application also contains a copy of a quit claim deed that was executed on June 21, 2016, as evidence that the Applicant owns the land upon which the water treatment facilities are located pursuant to Rule 25-30.037(2)(q), F.A.C.

**Purchase Agreement and Financing**

Pursuant to Rule 25-30.037(2)(i), and (j), F.A.C., the application contains a statement regarding financing and a copy of the purchase agreement, which includes the purchase price, terms of payment, and a list of the assets purchased. There are no customer deposits, guaranteed revenue contracts, developer agreements, customer advances, leases, or debt of PHWUL that must be disposed of with regard to the transfer. According to the purchase agreement, the total purchase price for the assets is $34,000 with $30,600 paid at closing and the final payment of $3,400 being paid within 30 days of Commission approval of the transfer. According to the Buyer, the sale took place on June 29, 2016, subject to this Commission’s approval, pursuant to Section 367.071(1), F.S.

**Facility Description and Compliance**

The water treatment system consists of one well with a 6,000 gallon steel hydro pneumatic tank, a 10,000 gallon ground storage tank, and a liquid chlorination system used for disinfection. The last Florida Department of Environmental Protection (DEP) sanitary survey was conducted on September 16, 2015, and there was one deficiency, which has been corrected. On October 20, 2015, DEP deemed the Utility was in compliance with applicable rules.

**Technical and Financial Ability**

Pursuant to Rule 25-30.037(2)(l), F.A.C., the application contains statements describing the technical and financial ability of the Applicant to provide service to the proposed service area. According to the application, the Buyer has considerable Florida-specific expertise in private utility ownership. The President and Vice President have over 30 and 38 years, respectively, of experience operating or owning water utilities, including a number of utilities previously regulated by this Commission. In addition, the directors are part owners of other systems regulated by this Commission, including Harbor Waterworks, Inc.,[[6]](#footnote-6) Lakeside Waterworks, Inc.,[[7]](#footnote-7) LP Waterworks, Inc.,[[8]](#footnote-8) Raintree Waterworks, Inc.,[[9]](#footnote-9) Brendenwood Waterworks, Inc.,[[10]](#footnote-10) Country Walk Utilities, Inc.,[[11]](#footnote-11) Lake Idlewild Utility Company,[[12]](#footnote-12) Black Bear Reserve Water Corporation,[[13]](#footnote-13) and several of the systems previously owned by Aqua Utilities Florida, Inc.[[14]](#footnote-14) The application also indicates that both the President and Vice President have controlled service delivery to more than 850 water and wastewater facilities within Florida during their careers. Further, the application indicates that the President has secured the services of U.S. Water Services Corporation to provide contract operating service, as well as, billing and collection services. Commission staff reviewed the personal financial statements of the three primary shareholders, which includes the President and Vice President.[[15]](#footnote-15) We find that the Buyer has demonstrated the technical and financial ability to provide service to the existing service territory.

**Rates and Charges**

The Utility’s rates and charges were last approved in an original certificate case in 1986.[[16]](#footnote-16) Subsequently, the rates were amended by several price index and pass through adjustments. The Utility’s existing rates are shown on Attachment B. Rule 25-9.044(1), F.A.C., provides that, in the case of a change of ownership or control of a utility, the rates, classifications, and regulations of the former owner must continue unless authorized to change by this Commission. The Utility’s existing rates and charges shall therefore remain in effect until a change is authorized by this Commission in a subsequent proceeding.

**Regulatory Assessment Fees and Annual Reports (RAFs)**

The Utility was current on the filing of Annual Reports and RAFs through December 31, 2015. PHWUL will be responsible for paying RAFs through June 29, 2016, and the Buyer will be responsible for paying RAFs after June 29, 2016, and all future years. The Buyer shall be responsible for filing the 2016 Annual Report and all future Annual Reports.

**Conclusion**

Based on the foregoing, the transfer of the water system and Certificate No. 450-W is in the public interest and shall be approved effective the date of this Commission’s vote. The resultant order shall serve as the Buyer’s certificate and shall be retained by the Buyer. The existing rates and charges shall remain in effect until a change is authorized by this Commission in a subsequent proceeding. The tariffs reflecting the transfer shall be effective for services rendered or connections made on or after the stamped approval date on the tariffs pursuant to Rule 25-30.475, F.A.C.

**Initial Customer Deposits**

Rule 25-30.311, F.A.C., contains the criteria for collecting, administering, and refunding customer deposits. Customer deposits are designed to minimize the exposure of bad debt expense for a utility and, ultimately, the general body of ratepayers. Historically, this Commission has set initial customer deposits equal to two times the average estimated bill.[[17]](#footnote-17) Currently, initial customer deposits are not in place. Based on the average water demand, the appropriate initial customer deposit shall be $56 to reflect an average residential customer bill for two months.

Based on the above, the appropriate water initial customer deposit shall be $56 for the residential 5/8” x 3/4” meter size. The initial customer deposits for all other residential meter sizes shall be two times the average estimated bill for water service. The approved initial customer deposits shall be effective for connections made on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, F.A.C.

**Convenience Charge**

Section 367.091, F.S., authorizes this Commission to establish, increase, or change a rate or charge other than monthly rates or service availability charges. Currently, PHWI accepts and processes credit card payment transactions online through a website. As indicated in PHWI’s request, the payments are processed by Opus 21 Management Solutions, PHWI’s outside vendor, which utilizes its merchant with TD Bank. PHWI has been absorbing the transaction costs, and has not passed on these costs to its customers. PHWI requested to amend its tariff sheet to include a $2.60 convenience fee to recover the cost incurred for the bank and credit card company fee, debit or credit card processing by telephone or online, and PHWI staff time required for processing the transactions. As required by Section 367.091, F.S., PHWI’s cost analysis breakdown for its requested charge is shown below, in Table 1.

**Table 1**

**Convenience Charge Cost Justification**

|  |  |
| --- | --- |
| **Activity** | **Cost** |
| Bank and credit card company fee | $1.60 |
| 1-Transact gateway fee per transaction (Opus21) | $.60 |
| Telephonic processing fee (TD Bank) | $.10 |
| Authorization fee (TD Bank) | $.05 |
| Monthly telephonic account  | $.07 |
| Accounting staff | $.09 |
| Clerical staff | $.09 |
| Total | $2.60 |

We recently approved a similar convenience charge of $2.60 for Brevard Waterworks, Inc., LP Waterworks, Inc., and Lakeside Waterworks, Inc., among others.[[18]](#footnote-18) The aforementioned Utilities, as well as PHWI, are all managed by U.S. Water Corporation, and the administrative costs for the convenience charge are the same. We find that PHWI’s requested convenience charge of $2.60 is reasonable. The requested charge benefits the customers by allowing them to expand their payment options. Furthermore, this fee will insure PHWI’s remaining customers do not subsidize those customers who choose to pay using this option.

Based on the above, we approve PHWI’s request to implement a convenience charge of $2.60 for customers who opt to pay their water bill by debit or credit card shall be approved. The charge shall be effective for services rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. In addition, the approved charge shall not be implemented until there is an approved customer notice and the notice has been received by the customers. PHWI shall provide proof of the date that the notice was given within 10 days of the date of the notice.

**Non-Sufficient Funds Charges**

Section 367.091, F.S., requires rates, charges, and customer service policies to be approved by this Commission. We have authority to establish, increase, or change a rate or charge. Authorization to collect NSF charges consistent with Section 68.065, F.S., allows for the assessment of charges for the collection of worthless checks, drafts, or orders of payment. As currently set forth in Section 68.065(2), F.S., the following NSF charges may be assessed:

(1) $25, if the face value does not exceed $50,

(2) $30, if the face value exceeds $50 but does not exceed $300,

(3) $40, if the face value exceeds $300,

(4) or five percent of the face amount of the check, whichever is greater.

Approval of NSF charges is consistent with prior Commission decisions.[[19]](#footnote-19) Furthermore, NSF charges place the cost on the cost-causer, rather than requiring that the costs associated with the return of the NSF checks be spread across the general body of ratepayers. PHWI shall revise its tariff sheet to reflect the NSF charges currently set forth in Section 68.065, F.S. The NSF charges shall be effective on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C, and the NSF charges shall not be implemented until the customer notice has been approved. Within 10 days, PHWI shall provide proof of the date the approved notice was provided to customers, prior to collecting NSF charges.

**Net Book Value**

Rate base was last established as of April 12, 1990.[[20]](#footnote-20) The purpose of establishing net book value (NBV) for transfers is to determine whether an acquisition adjustment shall be approved. The NBV does not include normal ratemaking adjustments for used and useful plant or working capital. The NBV has been updated to reflect balances as of June 29, 2016. The NBV charges, described below, are shown on Schedule 1, attached to this Order.

**Utility Plant in Service (UPIS)**

The general ledger reflected water utility plant in service (UPIS) balance of $130,485. UPIS additions since the last rate case proceeding and has decreased UPIS by $43,924 to reflect unsupported plant additions. The UPIS balance as of June 29, 2016, is $86,561.

**Land**

The general ledger reflected a land balance of $5,000. By Order No. 24273, issued March 21, 1991, this Commission established the value of the land to be $5,000. There have been no additions to land purchased since that order was issued. The land balance remains at $5,000, as of June 29, 2016.

**Accumulated Depreciation**

The general ledger reflected an accumulated depreciation balance of $104,887. Based on the UPIS adjustment discussed earlier, the appropriate accumulated depreciation is $67,863. The accumulated depreciation shall be decreased by $37,024 to reflect an accumulated depreciation balance of $67,683 as of June 29, 2016.

**Contributions-in-Aid-of-Construction and Accumulated Amortization**

As of June 29, 2016, the general ledger reflected a Contributions-in-Aid-of-Construction (CIAC) balance of $0, and an accumulated amortization of CIAC balance of $0. The CIAC balance shall be $56,883, and shall be fully amortized based on this Commission’s approved balances in Order No. 24273. We have increased the accumulated amortization of CIAC by $56,883 to reflect the appropriate approved balance. The accumulated amortization of CIAC balance is $56,883 as of June 29, 2016.

**Net Book Value**

The general ledger reflected a NBV of $30,598. Based on the adjustments described above, we have determined the NBV is $23,698. The approved NBV and the National Association of Regulatory Utility Commissioners, Uniform System of Accounts (NARUC USOA) balance for UPIS and accumulated depreciation are shown on Schedule No. 1, as of June 29, 2016.

**Acquisition Adjustment**

An acquisition adjustment results when the purchase price differs from the NBV of the assets at the time of the acquisition. The utility assets were purchased for $34,000. As stated above, we have determined the appropriate NBV total to be $23,698. Pursuant to Rule 25-30.0371, F.A.C., a positive acquisition adjustment may be appropriate when the purchase price is greater than the NBV, and a negative acquisition adjustment may be appropriate when the purchase price is less than NBV. However, pursuant to Rule 25-30.0371(2), F.A.C., a positive acquisition adjustment shall not be included in rate base unless there is proof of extraordinary circumstances. The Buyer did not request a positive acquisition adjustment, and no positive acquisition adjustment is approved herein.

**Conclusion**

The NBV of PHWUL’s water system for transfer purposes is $23,698 as of June 29, 2016. No acquisition adjustment shall be included in rate base. Within 90 days of the date of the final order, the Buyer shall be required to notify this Commission in writing, that it has adjusted its books in accordance with this Commission’s decision. The adjustments shall be reflected in PHWI’s 2016 Annual Report when filed.

Based on the foregoing, it is

 ORDERED by the Florida Public Service Commission that the transfer of the water system and Certificate No. 450-W from Pine Harbour Water Utilities, LLC, to Pine Harbour Waterworks, Inc., in Lake County, is in the public interest and is hereby approved, effective the date of our vote. The resultant order shall serve as the Buyer’s certificate and shall be retained by the Buyer. It is further

ORDERED that the existing rates and charges, shown on Attachment B, shall remain in effect until a change is authorized by this Commission in a subsequent proceeding. It is further

ORDERED that the tariffs reflecting the transfer shall be effective for services rendered or connections made on or after the stamped approval date on the tariffs pursuant to Rule 25-30.475, F.A.C. It is further

ORDERED that the Seller will be responsible for paying RAFs through June 29, 2016, and the Buyer will be responsible for paying RAFs after June 29, 2016, and all future years. The Buyer shall be responsible for filing the 2016 Annual Report and all future Annual Reports. It is further

ORDERED that the appropriate water initial customer deposit shall be $56 for the residential 5/8” x 3/4” meter size. The initial customer deposits for all other residential meter sizes shall be two times the average estimated bill for water service. The approved initial customer deposits shall be effective for connections made on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, F.A.C. It is further

ORDERED that a convenience charge of $2.60 for customers who opt to pay their water bill by debit or credit card online or by way of telephone shall be approved. The charge shall be effective for services rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. In addition, the approved charge shall not be implemented until Commission staff has approved the proposed customer notice and the notice has been received by the customers. Pine Harbour Waterworks, Inc. shall provide proof of the date that the notice was given within 10 days of the date of the notice. It is further

ORDERED that Pine Harbour Waterworks, Inc. shall be authorized to collect Non-Sufficient Funds charges. PHWI shall revise its tariffs to reflect the NSF charges currently set forth in Section 68.065, F.S. The NSF charges shall be effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. Furthermore, the charges shall not be implemented until Commission staff has approved the proposed customer notice. PHWI shall provide proof of the date the notice was given within 10 days of the date of the notice. It is further

ORDERED that the net book value of the water system for transfer purposes is $23,698 as of June 29, 2016. An acquisition adjustment shall not be included in rate base. Within 90 days of the date of the final order, Pine Harbour Waterworks, Inc. shall notify this Commission in writing that it has adjusted its books in accordance with our decision herein. The adjustments shall be reflected in PHWI’s 2016 Annual Report when filed. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the “Notice of Further Proceedings” attached hereto. It is further

ORDERED this docket shall remain open pending Commission staff’s verification that the revised tariff sheets and customer notice have been filed by Pine Harbour Waterworks, Inc. and approved by staff. If a protest is filed within 21 days of the issuance date of the Order, the tariff sheets shall remain in effect with the charges held subject to refund pending resolution of the protest. If no timely protest is filed, a consummating order shall be issued and, once Commission staff verifies that the notice of the charges has been given to customers, the docket shall be administratively closed.

 By ORDER of the Florida Public Service Commission this 2nd day of February, 2017.

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|  | /s/ Hong Wang |
|  | HONG WANGChief Deputy Commission Clerk |

Florida Public Service Commission

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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

WLT

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 shall not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

 As identified in the body of this order, our action establishing net book value and declining to make an acquisition adjustment, and approving initial customer deposits, convenience charge, and non-sufficient funds charge is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on February 23, 2017. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

 Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

 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 Office of Commission Clerk, 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 wastewater utility by filing a notice of appeal with the Office of Commission Clerk 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.

**Pine Harbour Waterworks, Inc.**

**Lake County**

**Description of Water Territory**

The following described lands located in a portion of Section 6, Township 19 South, Range 26 East, Lake County. From the N.E. comer of Section 6, run West along the North line of Section 6 a distance 2,720 more or less to the Point of Beginning (P.O.B.). From the P.O.B. continue North 89"29'45' West, 975.50 feet to the Southerly Right-of-way of State Road 44; thence South 54" 12'40" West along said Southerly Right of-way, 44.47 feet to the Easterly Right-of-way of District road No. 5-5942 (Woodlyn Road); thence South 00'34'55" West, along said Easterly Right-of-way 992.43 feet; thence south 89"53'30" East, 1562.90 feet; thence North 00'06'30" East, 188.00 feet; thence North 27"55'02" West, 198.70 feet ; thence North 29"53'30" West I 00.00 feet; thence North 26"38'55", 243.02 feet; thence North 62"39'26" West, 297.75 feet; thence North 06"55'19" West, 209.76 feet to the P.O.B.

**FLORIDA PUBLIC SERVICE COMMISSION**

**Authorizes**

**Pine Harbour Waterworks, Inc.**

**Pursuant to**

**Certificate Number 450-W**

To provide water service in Lake County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rule, regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

Order Number Date Issued Docket Number Filing Type

Order No. 15285 10/22/1985 850417-WU Original Certificate

Order No. 24273 03/21/1991 900525-WU Transfer of Certificate

PSC-08-0645-FOF-WU 10/06/2008 080269-WU Transfer of Certificate

PSC-17-0043-PAA-WU 02/02/2017 160169-WU Transfer of Certificate

**Pine Harbour Water Utilities, LLC**

**Monthly Water Rates**

|  |  |  |
| --- | --- | --- |
| **Residential**  |  |  |
| Base Facility Charge by Meter Size |  |  |
| 5/8” x 3/4" |  | $17.28 |
| 3/4" |  | $25.92 |
| 1" |  | $43.22 |
| 1 1/2" |  | $86.41 |
| 2" |  | $138.27 |
| 3" |  | $276.51 |
| 4" |  | $432.04 |
|  |  |  |
| Charge Per 1,000 gallons – Residential Service |  |  $2.17 |
|  |  |  |

|  |
| --- |
| **Miscellaneous Service Charges** |
|  |  |  |
|  | Business Hours  | After Hours |
|  |  |  |
| Initial Connection Charge | $22.00 | $43.00 |
| Normal Reconnection Charge | $22.00 | $43.00 |
| Violation Reconnection Charge | $22.00 | $43.00 |
| Premises Visit Charge (in lieu of disconnection) | $22.00 | $43.00 |

|  |  |
| --- | --- |
| Late Payment | $5.00 |
| NSF Check Charge | Pursuant to Section 68.065,F.S. |
|  |  |
|  |  |
| Meter Tampering Charge | Actual Cost |
| Investigation of Meter Tampering Charge | $50.00 |

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| --- |
| **Service Availability Charges** |
|  |  |  |
| **Meter Installation Charge** |  |  |
| All meter sizes |  | $82.00 |

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| **Pine Harbour Water Utilities, LLC.**  |
| **Water System** |
| **Schedule of Net Book Value as of June 29, 2016** |
|  |  |  |  |
| **Description** | **Balance Per Utility** | **Adjustments**  | **Commission Approved** |
| Utility Plant in Service | $130,485  |  ($43,924)  | $86,561  |
| Land & Land Rights | 5,000  |  0  | 5,000 |
| Accumulated Depreciation | (104,887) |  37,024  | (67,863) |
| CIAC | 0 |  (56,883)  | (56,883) |
| Amortization of CIAC | 0 |  56,883  | 56,883  |
|  |  |  |  |
| Total | $30,598  |  ($6,900) | $23,698  |

|  |
| --- |
| **Explanation of Commission Approved** |
| **Adjustments to Net Book Value as of June 29, 2016** |
| **Water System** |
| **Explanation** | **Amount** |
|  |  |
| 1. Utility Plant in Service
 |  |
| To reflect appropriate amount of utility plant in service. | ($43,924) |
| 1. Accumulated Depreciation
 |  |
| To reflect appropriate amount of accumulated depreciation. | $37,024 |
| 1. Contributions-in-Aid-of-Construction (CIAC)
 |  |
| To reflect appropriate CIAC. | ($56,883) |
| 1. Accumulated Amortization of CIAC
 |  |
| To reflect appropriate amount of accumulated amortization of CIAC. | $56,883 |
|  |  |
| Total Adjustments to Net Book Value as of June 29, 2016. | ($6,900) |

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| **Pine Harbour Water Utilities, LLC** |
| **Water System** |
| **Schedule of Commission Approved Account Balances as of June 29, 2016** |
| **Account** |  |  | **Accumulated** |
| **No.** | **Description** | **UPIS** | **Depreciation** |
| 301 | Organization | $500 | ($381) |
| 304 | Structures & Improvements | 2,869 | (584) |
| 307 | Wells & Springs | 7,763 | (6,613) |
| 309 | Supply Mains | 6,885 | (2,690) |
| 311 | Pumping Equipment | 16,314 | (16,314) |
| 320 | Water Treatment Equipment | 350 | (350) |
| 330 | Distribution Reservoirs & Standpipes | 15,811 | (11,328) |
| 331 | Transmission & Distribution Mains | 22,468 | (17,904) |
| 333 | Services | 5,692 | (4,871) |
| 334 | Meters & Meter Installations | 3,362 | (3,362) |
| 335 | Hydrants | 4,547 | (3,466) |
|  | Total | $86,561 | ($67,863) |

1. Water certificate issued pursuant to Order No. 15285, issued October 22, 1985, in Docket No. 850417-WU, In re: Application of Earl W. Stockwell for a certificate to provide water service to the Pine Harbour Subdivision in Lake County, Florida pursuant to the provisions of Section 367.041, Florida Statutes. [↑](#footnote-ref-1)
2. Order No. 24273, issued March 21, 1991, in Docket No. 900525-WU, In Re: Application for transfer of Certificate No. 450-W from Mr. Earl W. Stockwell to Pine Harbour Water Utilities, Inc. in Lake County, Florida. [↑](#footnote-ref-2)
3. Order PSC-08-0645-FOF-WU, issued October 6, 2008, in Docket No. 080269-WU,In re: Application for authority to transfer water Certificate No. 450-W, held by Pine Harbour Water Utilities, from Jim C. Branham to Pine Harbour Water Utilities, LLC, in Lake County. [↑](#footnote-ref-3)
4. Order PSC-10-0328-CO-WU, issued May 21, 2010, in Docket No. 090429-WU, In re: Request for approval of imposition of miscellaneous service charges, delinquent payment charge and meter tampering charge in Lake County, by Pine Harbour Water Utilities, LLC. [↑](#footnote-ref-4)
5. See Document No. 06657-16 filed on August 15, 2016. [↑](#footnote-ref-5)
6. Order No. PSC-12-0587-PAA-WU, issued October 29, 2012, in Docket No. 120148-WU, In re: Application for approval of transfer of Harbor Hills Utility, L.P. water system and Certificate No. 522-W in Lake County to Harbor Waterworks, Inc. [↑](#footnote-ref-6)
7. Order No. PSC-13-0425-PAA-WS, issued September 18, 2013, in Docket No. 120317-WS, In re: Application for approval to transfer water and wastewater system Certificate Nos. 567-W and 494-S in Lake County from Shangri-La by the Lake Utilities, Inc. to Lakeside Waterworks, Inc. [↑](#footnote-ref-7)
8. Order No. PSC-14-0130-PAA-WS, issued March 17, 2014, in Docket No. 130055-WS, In re: Application for approval of transfer of LP Utilities Corporation's water and wastewater systems and Certificate Nos. 620-W and 533-S, to LP Waterworks, Inc., in Highlands County. [↑](#footnote-ref-8)
9. Order No. PSC-14-0692-PAA-WU, issued December 15, 2014, in Docket No. 140121-WU, In re: Application for approval of transfer of Certificate No. 539-W from Raintree Harbor Utilities, LLC to Raintree Waterworks, Inc. in Lake County. [↑](#footnote-ref-9)
10. Order No. PSC-14-0691-PAA-WU, issued December 15, 2014, in Docket No. 140120-WU, In re: Application for approval of transfer of Certificate No. 339-W from Brendenwood Utilities, LLC. to Brendenwood Waterworks, Inc. in Lake County. [↑](#footnote-ref-10)
11. Order No. PSC-14-0495-PAA-WU, issued September 17, 2014, in Docket No. 130294-WU, In re: Application for transfer of water systems and Certificate No. 579-W in Highlands County from Holmes Utilities, Inc. to Country Walk Utilities, Inc. [↑](#footnote-ref-11)
12. Order No. PSC-15-0140-PAA-WU, issued March 23, 2015, in Docket No. 140170-WU, In re: Application for approval of transfer of Certificate No. 531-W from W.B.B. Utilities, Inc. to Lake Idlewild Utility Company in Lake County*.* [↑](#footnote-ref-12)
13. Order No. PSC-16-0169-PAA-WU, issued April 28, 2016, in Docket No. 150166-WU, In re: Application for transfer of water system and Certificate No. 654-W in Lake County from Black Bear Reserve Water Corporation to Black Bear Waterworks, Inc. [↑](#footnote-ref-13)
14. Order Nos. PSC-14-0300-PAA-WS, issued June 11, 2014, in Docket No. 130171-WS, In re: Application for approval of transfer of certain water and wastewater facilities and Certificate Nos. 507-W and 441-S of Aqua Utilities Florida, Inc. to The Woods Utility Company in Sumter County; PSC-14-0315-PAA-WS, issued June 13, 2014, in Docket No. 130172-WS, In re: Application for approval of transfer of certain water and wastewater facilities and Certificate Nos. 501-W and 435-S of Aqua Utilities Florida, Inc. to Sunny Hills Utility Company in Washington County; PSC-14-0327-PAA-WU, issued June 25, 2014, in Docket No. 130173-WU, In re: Application for approval of transfer of certain water and wastewater facilities and Certificate No. 053-W of Aqua Utilities Florida, Inc.'s to Lake Osborne Waterworks, Inc. in Palm Beach County; PSC-14-0326-PAA-WU, issued June 25, 2014, in Docket No. 130174-WU, In re: Application for approval of transfer of certain water facilities and Certificate No. 002-W of Aqua Utilities Florida, Inc. to Brevard Waterworks, Inc. in Brevard County; PSC-14-0314-PAA-WS, issued June 13, 2014, in Docket No. 130175-WS, In re: Application for approval of transfer of certain water and wastewater facilities and Certificate Nos. 422-W and 359-S of Aqua Utilities Florida, Inc. to HC Waterworks, Inc. in Highlands County; and PSC-14-0299-PAA-WS, issued June 11, 2014, in Docket No. 130176-WS, In re: Application for approval of transfer of certain water and wastewater facilities and Certificate Nos. 507-W and 441-S of Aqua Utilities Florida, Inc. to Jumper Creek Utility Company in Sumter County. [↑](#footnote-ref-14)
15. Document No. 04826-16 (Confidential), in Docket No. 160169-WU. [↑](#footnote-ref-15)
16. Order No. 16936, issued December 6, 1986, in Docket No. 850417-WU, In re: Application of Earl W. Stockwell for a certificate to provide water service to the Pine Harbour Subdivision in Lake County, Florida, pursuant to the provisions of Section 367.041, Florida Statues [↑](#footnote-ref-16)
17. Order Nos. PSC-13-0611-PAA-WS, issued November 19, 2013, in Docket No. 130010-WS, In re: Application for increase in water rates in Lee County and wastewater rates in Pasco County by Ni Florida, LLC., and PSC-14-0016-TRF-WU, issued January 6, 2014, in Docket No. 130251-WU, In re: Application for approval of miscellaneous service charges in Pasco County, by Crestridge Utility Corporation. [↑](#footnote-ref-17)
18. Order Nos. PSC-15-0188-TRF-WU, issued May 6, 2015, in Docket No. 150065-WU, In re: Request for approval of amendment to tariff for miscellaneous service charges in Brevard County, by Brevard Waterworks, Inc.; PSC-15-0180-TRF-WS, issued May 6, 2015, in Docket No. 150063-WS, In re: Request for approval of amendment to tariff for miscellaneous service charges in Highlands County by LP Waterworks, Inc.; PSC-15-0184-TRF-WS, issued May 6, 2015, in Docket No. 150061-WS, In re: Request for approval of amendment to tariff for miscellaneous service charges in Lake County by Lakeside Waterworks, Inc. [↑](#footnote-ref-18)
19. Order Nos. PSC-14-0198-TRF-SU, issued May 2, 2014, in Docket No. 140030-SU, In re: Request for approval to amend Miscellaneous Service charges to include all NSF charges by Environmental Protection Systems of Pine Island, Inc.*;* and PSC-13-0646-PAA-WU, issued December 5, 2013, in Docket No. 130025-WU, In re: Application for increase in water rates in Highlands County by Placid Lakes Utilities, Inc. [↑](#footnote-ref-19)
20. Order No. 24273, issued March 21, 1991, in Docket No. 900525-WU, In re: Application for a transfer of Certificate No. 450-W from Earl W. Stockwell (Pine Harbour) to Pine Harbour Water Utilities in Lake County. [↑](#footnote-ref-20)