

FLORIDA PUBLIC SERVICE COMMISSION

Item 5

VOTE SHEET

August 2, 2022

FILED 8/2/2022
DOCUMENT NO. 05166-2022
FPSC - COMMISSION CLERK

Docket No. 20220019-WU – Application for transfer of water facilities of Neighborhood Utilities, Inc. and water Certificate No. 430-W to CSWR-Florida Utility Operating Company, LLC, in Duval County.

Issue 1: Should the transfer of Certificate No. 430-W in Duval County from Neighborhood Utilities, Inc. to CSWR-Florida Utility Operating Company, LLC be approved?

Recommendation: Yes. The transfer of the water system and Certificate No. 430-W is in the public interest and should be approved effective the date that the sale becomes final. The resultant Order should serve as the Buyer’s certificate and should be retained by the Buyer. The Buyer should submit the executed and recorded deed for continued access to the land upon which its facilities are located and copies of its permit transfer applications to the Commission within 90 days of the Order approving the transfer, which is final agency action. If the sale is not finalized within 90 days of the resultant Order, the Buyer should file a status update in the docket file. The Utility’s existing rates, late payment charge, service availability charges, non-sufficient funds charges, and initial customer deposits as shown on Schedule No. 2 of staff’s memorandum dated July 21, 2022, should remain in effect, until a change is authorized by this 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), Florida Administrative Code, (F.A.C.). The Seller is current with respect to annual reports and regulatory assessment fees (RAFs) through December 31, 2021, and the Buyer should be responsible for filing annual reports and paying RAFs for all future years.

DEFERRED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS’ SIGNATURES

MAJORITY

DISSENTING

REMARKS/DISSENTING COMMENTS:

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Issue 2: What is the appropriate net book value for CSWR-Florida Utility Operating Company, LLC's water system for transfer purposes?

Recommendation: For transfer purposes, the net book value (NBV) of the water system is \$60,063 as of January 31, 2022. Within 90 days of the date of the consummating order, CSWR-Neighborhood 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 2022 Annual Report when filed.

Issue 3: Should a positive acquisition adjustment be recognized for ratemaking purposes?

Recommendation: No. Pursuant to Rule 25-30.0371, F.A.C., a positive acquisition adjustment should not be granted as the Buyer failed to demonstrate extraordinary circumstances.

Issue 4: Should CSWR-Florida Utility Operating Company, LLC's miscellaneous service charges be revised to conform to amended Rule 25-30.460, F.A.C.?

Recommendation: Yes. The miscellaneous service charges should be revised to conform to the recent amendment to Rule 25-30.460, F.A.C. The tariff should be revised to reflect the removal of initial connection and normal reconnection charges. CSWR-Neighborhood should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective 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 charges should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. CSWR-Neighborhood should provide proof of the date notice was given within 10 days of the date of the notice. CSWR-Neighborhood should be required to charge the approved miscellaneous service charges until authorized to change them by the Commission in a subsequent proceeding.

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Issue 5: 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, the Buyer has notified the Commission in writing that it has adjusted its books in accordance with the Commission's decision, proof that appropriate noticing has been done pursuant to Rule 25-30.4345, F.A.C., and the Buyer has submitted the executed and recorded warranty deed and that the Buyer has submitted a copy of its application for permit transfer to the DEP within 90 days of the Commission's Order approving the transfer.