



Public Service Commission

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DATE: February 27, 1997
TO: ALICE CROSBY, DIVISION OF LEGAL SERVICES
 DIVISION OF RECORDS AND REPORTING ✓
FROM: JOANN CHASE, DIVISION OF WATER AND WASTEWATER JC gmcw
RE: DOCKET NO. 930301-WS - REQUEST FOR EXEMPTION FROM FLORIDA
 PUBLIC SERVICE COMMISSION REGULATION FOR PROVISION OF
 WATER AND WASTEWATER SERVICE BY NORMANDY VILLAGE UTILITY
 CO. IN DUVAL COUNTY

On May 23, 1993, Normandy Village Utility Co. (Normandy Village or applicant) filed its request for exemption from Commission regulation pursuant to Section 367.022(7), Florida Statutes (FS), as a nonprofit association. This section provides an exemption from regulation for "nonprofit corporations, association, or cooperatives providing service solely to members who own and control such nonprofit corporations, associations, or cooperatives." Normandy Village provides water and wastewater service to the Normandy Village subdivision and certain adjacent neighborhoods located in Jacksonville, Florida. The contact person for the association is Dorothy Letien, secretary of the corporation, 1828 Fouraker Road, Jacksonville, Florida 32221.

According to the applicant, the homeowners took over full operation of the utility in July, 1976. Each person who owns or rents a home in the area is a stockholder who can vote on all issues and receives a rebate if excess funds are on hand. However, the application and supporting information filed by the applicant did not meet the requirements for exemption under Section 367.022(7), FS, since it was not incorporated as a nonprofit corporation. The applicant was advised of this deficiency and has subsequently changed its incorporation as well as the name of the company. On February 24, 1997, we received copies of the Articles of Incorporation and Bylaws of the new nonprofit corporation in the name of Normandy Village Utility Co-op, Inc.

The applicant now meets the requirements for exemption pursuant to Section 367.022(7), FS, and Rule 25-30.060, Florida Administrative Code, which has since been repealed. According to the current bylaws each customer of the utility is a member of the corporation, and each member is entitled to one vote at membership meetings. According to a letter from the applicant dated May 22, 1996, no developers have been involved in the operations of the corporation since 1972; therefore, there is no issue of turnover of control from a developer. In addition, the applicant acknowledged Section 837.06, FS, regarding false statements.

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Based on the above information, staff recommends that Normandy Village Utility Co-op, Inc. be found exempt from Commission regulation pursuant to Section 367.022(7), FS, as a nonprofit association. An administrative order should be issued within thirty days granting the exemption and closing the docket. PLEASE NOTE THE CHANGE IN THE NAME OF THE APPLICANT FROM NORMANDY VILLAGE UTILITY CO. TO NORMANDY VILLAGE UTILITY CO-OP, INC.