### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for transfer of water and<br/>wastewater facilities to City of Sebring by<br/>Highlands Ridge Utilities, LLC.DOCKET NO. 090546-WS<br/>ORDER NO. PSC-10-0114-FOF-WS<br/>ISSUED: February 25, 2010

The following Commissioners participated in the disposition of this matter:

## NANCY ARGENZIANO, Chairman LISA POLAK EDGAR NATHAN A. SKOP DAVID E. KLEMENT BEN A. "STEVE" STEVENS III

### ORDER ACKNOWLEDGING THE TRANSFER OF WATER AND WASTEWATER FACILITIES AND CANCELLATION OF CERTIFICATES

#### BY THE COMMISSION:

Highlands Ridge Utilities, LLC (Highlands Ridge or utility) is a Class B utility providing water and wastewater service to approximately 610 water and wastewater customers in Highlands County. The utility is in the Highlands Ridge Water Use Caution Area and the Southern Water Use Caution Area of the Southwest Florida Water Management District (SWFWMD). The utility's 2008 annual report indicates that it had gross revenues of \$184,117 and \$176,452 and net operating incomes of \$29,731 and (\$11,054) for water and wastewater, respectively.

The utility's water and wastewater systems were originally issued Certificate Nos. 544-W and 474-S in 1992.<sup>1</sup> The utility has been transferred once and its certificates have been amended once to include additional territory since it received its certificates.<sup>2</sup>

On December 23, 2009, the City of Sebring (the City) filed an application for transfer of the Highlands Ridge water and wastewater facilities and for cancellation of Certificate Nos. 544-W and 474-S pursuant to Section 367.171, Florida Statutes (F.S.) and Rule 25-30.037(4), Florida Administrative Code (F.A.C.). The closing of the sale took place on August 3, 2009, which is the effective date of the transfer. We have jurisdiction to consider this matter pursuant to Section 367.071, F.S.

EDSC - COMMISSION CLERK

<sup>&</sup>lt;sup>1</sup> Order No. PSC-92-0954-FOF-WS, issued September 9, 1992, in Docket No. 920306-WS, <u>In re: Application of Highlands Ridge Associates, Inc. for water and wastewater certificates in Highlands County, Florida.</u>

<sup>&</sup>lt;sup>2</sup> Order No. PSC-01-1917-PAA-WS, issued September 24, 2001, in Docket No. 001551-WS, <u>In re: Application for</u> <u>transfer of Certificate Nos. 544-W and 474-S in Highlands County from Highlands Ridge Associates, Inc. to</u> <u>Highlands Ridge Utilities, LLC.</u>, and Order No. PSC-02-1849-FOF-WS, issued December 27, 2002, in Docket No. 020999-WS, <u>In re: Application for amendment of Certificates 474-S and 544-W to extend water and wastewater</u> <u>service area in Highlands County, by Highlands Ridge Utilities, LLC.</u>

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Pursuant to Section 367.071(4)(a), F.S., the sale of facilities to a governmental authority shall be approved as a matter of right. As such, no notice of the transfer is required and no filing fees apply. The application is in compliance with Section 367.071(4)(a), F.S., and Rule 25-30.037(4), F.A.C.

The application contains a statement that the City obtained Highlands Ridge's most recent income and expense statement, balance sheet, statement of rate base for regulatory purposes, and contributions-in-aid-of-construction as required by Rule 25-30.037(4)(e), F.A.C. A statement was provided indicating that the utility does not collect customer deposits; therefore, no deposits were transferred to the City.

Additionally, pursuant to the requirements of Rule 25-30.037(4)(h), F.A.C., a statement was included that Highlands Ridge has paid all outstanding regulatory assessment fees (RAFs). The utility has filed all annual reports through 2008 and paid all RAFs through December 31, 2008. Because the utility was not jurisdictional as of December 31, 2009, no annual report will be required for 2009. However, Highlands Ridge shall pay all outstanding RAFs for the period January 1, 2009, through August 3, 2009, by March 31, 2010.

Accordingly, we hereby acknowledge the transfer of the Highlands Ridge water and wastewater facilities to the City of Sebring as a matter of right, pursuant to Section 367.071(4)(a), F.S. Certificate Nos. 544-W and 474-S shall be cancelled effective August 3, 2009. Highlands Ridge shall pay all outstanding RAFs for the period January 1, 2009, through August 3, 2009, by March 31, 2010.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of the Highlands Ridge water and wastewater territory and facilities to the City of Sebring is hereby acknowledged. It is further

ORDERED that Certificate Nos. 544-W and 474-S shall be cancelled effective August 3, 2009. It is further

ORDERED that Highlands Ridge shall pay all outstanding regulatory assessment fees for the period January 1, 2009, through August 3, 2009, by March 31, 2010. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 25th day of February, 2010.

ANN COLE

Commission Clerk

(SEAL)

LAH

# 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 Office of Commission Clerk, 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 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.