

FLORIDA PUBLIC SERVICE COMMISSION

Item 7

VOTE SHEET

October 11, 2016

FILED OCT 11, 2016  
DOCUMENT NO. 08123-16  
FPSC - COMMISSION CLERK

**Docket No. 150012-WU** – Application for transfer of Certificate 390-W from County-Wide Utility Co., Inc. to Southwest Ocala Utility, Inc. in Marion County.

**Issue 1:** Should the Commission approve the transfer of County-Wide Utility Co., Inc.’s water system and Certificate No. 390-W to Southwest Ocala Utility, Inc.?

**Recommendation:** Yes. The transfer of County-Wide’s water system and the transfer of Certificate No. 390-W to SOU is in the public interest and should be approved effective the date of the Commission’s vote. The resultant order should serve as SOU’s certificate and should be retained by the Utility. The existing rates and charges should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariffs reflecting the transfer should be effective for services rendered or connections made on or after the stamped approval date on the tariffs, pursuant to Rule 25-30.475, Florida Administrative Code (F.A.C.). SOU should be responsible for filing the Utility’s annual reports and paying regulatory assessment fees for 2015 and all future years.

**DEFERRED**

**COMMISSIONERS ASSIGNED:** All Commissioners

**COMMISSIONERS’ SIGNATURES**

**MAJORITY**

**DISSENTING**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**REMARKS/DISSENTING COMMENTS:**

**Docket No. 150012-WU** – Application for transfer of Certificate 390-W from County-Wide Utility Co., Inc. to Southwest Ocala Utility, Inc. in Marion County.

(Continued from previous page)

**Issue 2:** What is the appropriate net book value for the SOU water system for transfer purposes?

**Recommendation:** The net book value of the water system for transfer purposes is \$79,051, as of January 1, 2014. Within 90 days of the date of the final order, SOU 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 SOU's 2015 Annual Report when filed. Specifically, the Utility should confirm that the adjustments to all applicable National Association of Regulatory Utility Commissioners, Uniform System of Accounts (NARUC USOA) primary accounts as shown on Schedule No. 2, Page 3 of 3 of staff's memorandum dated September 29, 2016, have been made to SOU's books and records. In the event the Utility needs additional time to complete the adjustments, notice should be provided within seven days prior to the deadline. Upon providing good cause, staff should be given administrative authority to grant an extension of up to 60 days.

**Issue 3:** Should an acquisition adjustment be recognized for rate-making purposes?

**Recommendation:** Yes. Pursuant to Rule 25-30.0371, F.A.C., a negative acquisition adjustment of \$63,014 should be recognized for rate-making purposes. Beginning with the date of the issuance of the order approving the transfer, 50 percent of the negative acquisition, which is \$31,507, should be amortized over a 7-year period and the remaining 50 percent should be amortized over the remaining 33-year life of the assets.

**Issue 4:** 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 order, a consummating order should be issued and the docket should be closed administratively after SOU has provided proof that its general ledgers have been updated to reflect the Commission-approved balances as of January 1, 2014.