COMMISSIONERS: MATTHEW M. CARTER II, CHAIRMAN LISA POLAK EDGAR KATRINA J. MCMURRIAN NANCY ARGENZIANO NATHAN A. SKOP

## STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

## Hublic Service Commission

May 27, 2009



Martin S. Friedman, Esquire Rose, Sundstrom & Bentley, LLP Sanlando Center 2180 W. State Road 434 Suite 2118 Longwood, Florida 32779

Re: Docket No. 090232-WS: Joint application for authority to transfer assets and Certificate Nos. 404-W and 341-S in Orange County from Wedgefield Utilities, Inc. to Pluris Wedgefield, LLC.

Dear Mr. Friedman:

Staff has reviewed the above referenced application regarding the transfer of Wedgefield Utilities, Inc. We have determined that there are deficiencies and additional information which need to be addressed for this application.

**Deficiencies** 

- 1. Ownership or continued use of land. Pursuant to Rule 25-30.037(2)(q), Florida Administrative Code (F.A.C.), the application is to include evidence that the utility owns the land upon which the utility treatment facilities are located, or a copy of an agreement which provides for the continued use of the land, such as a 99-year lease. The application states that "The real property upon which the water and wastewater plants are located are among the assets purchased by Buyer." However, the rule requires the filing of evidence. Please provide a copy of a completed unexecuted warranty deed for the land to be purchased. Also, do the parties intend to close on the transfer early enough that an executed and recorded warranty deed will be filed with the Commission within 30 days of the issuance of the order approving the transfer?
- 2. Financial ability. Pursuant to Rule 25-30.037(2)(j), F.A.C., the application is to inclute a showing of the buyer's financial ability to provide service. The application indicated that this would be a late filed exhibit. Please file the required information.
- 3. Tax returns. Pursuant to Rule 25-30.037(2)(o), F.A.C., the application is to include a statement from the buyer that it has obtained or will obtain copies of all of the federal income tax returns of the seller from the date ... rate base was last established by the Commission or if the tax returns have not been obtained, a statement from the buyer detailing the steps taken to obtain the returns. The application was silent on this issue. Please provide the required statement.

## Additional Information

- 1. Please provide a more specific statement describing the financing of the purchase.
- 2. The proposed water and wastewater tariffs will need to be revised using the model tariff format. Please contact staff for instructions.

Prior to filing a recommendation in this docket, staff would like to talk with the buyer's representative who is familiar with Chapter 367, Florida Statutes, and Rule 25-30, Florida Administrative Code. Please provide the name and telephone number for the appropriate buyer's representative. The original and four copies of the response to the deficiencies and other information requested in this letter should be filed with the Commission on or before **June 30, 2009**. When filing the response, please be sure to refer to the docket number and to direct the response to:

Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Should you have any questions concerning the information in this letter, please contact Stephanie Clapp, of my staff, at (850) 413-6997.

Sincerely,

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Patti Daniel Public Utilities Supervisor Bureau of Certification, Economics & Tariffs

pd/sc

cc: Division of Economic Regulation (Clapp) Office of the General Counsel (Klancke) Office of Commission Clerk