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(850) 413-6900

Public Service Commission

July 26, 2012

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12 JUL 27 PM 2:25
COMMISSION
CLERK

Mr. Gary V. Perko
Hopping Green & Sams, P.A.
P.O. Box 6526
Tallahassee, Florida 32314

Re: Docket No. 120188-WU, Application for approval of transfer of Century-Fairfield Village, Ltd. water system and Certificate No. 640-W in Marion County to GCP Fairfield Village, LLC.

Dear Mr. Perko:

The above referenced application has been received and reviewed by my staff. Please complete the following deficiencies and provide the requested additional information to clarify the application. A description of the rule requirement is provided in each item for your reference.

Deficiencies

- 1. Financial Ability.** Rule 25-30.037(2)(j), Florida Administrative Code (F.A.C.), requires in part that the application include a showing of the Buyer's financial ability to provide service. Although the Utility has provided financial statements in Exhibit B of the application, these documents are illegible. Please provide a legible copy of the statements.
- 2. Purchase Price.** Rule 25-30.037(2)(g)(1), F.A.C., requires a copy of the contract for sale that includes the purchase price, if applicable. The application indicates that the water and wastewater facilities were included in the purchase price of the Fairfield Village Mobile Home Community, and did not provide a specific value placed on water facility assets. Please provide the amount of the purchase price that the Buyer has allocated to the water facility assets.
- 5. Notice of Application and Legal Description.** Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, F.A.C., require the utility to provide notice of its application for transfer. The Utility did not use the correct format for noticing purposes.

A sample notice and list of parties to be noticed is attached for your reference. Please feel free to provide a draft notice to staff to review prior to mailing in order to ensure that the notice complies with the Commission's noticing rules. Upon completion of the noticing requirements, please provide the three required affidavits of noticing referenced as late-filed Exhibits in section III the Utility's application.

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6. **Tariffs.** Rule 25-30.037(2)(s), F.A.C., requires the original and two copies of sample tariff sheets reflecting the change in ownership. The sample tariff sheets provided in the application are insufficient as this time. The utility will need to update all pages in its water tariffs to reflect the change in ownership if the transfer application is approved. Please provide an **original and two copies** of the utility's complete water and wastewater tariffs reflecting the change in ownership. The Utility can find model tariffs on the Commission's website at <http://www.floridapsc.com/utilities/waterwastewater/applicationpkg/wtariff.pdf>.

Additional Information

1. **Condition of Systems.** Pursuant to Rule 25-30.037(2)(p), F.A.C., the application includes a statement that after reasonable investigation, the buyer has determined that the systems being acquired appear to be in satisfactory condition and in substantial compliance with all applicable standards set by the DEP. The Utility has included this statement in its application, however, according to DEP, Fairfield Village was inspected on June 25, 2012 and found one deficiency related to meter accuracy. Please verify if the plant meters have been calibrated, and if calibrated, give the date of completion. If not, please provide an update on the status of the calibration and expected completion date.
2. **Sale Closing Date.** Please verify that December 14, 2010 is the date upon which the sale closed and the Buyer took over operation of the utility facilities. In addition, the Utility has provided a list of ROFO/ROFR communities, however, there is no documentation verifying that these communities did not exercise this right. Please provide this documentation.
3. **Plant Operations.** The application states that Flynn Services, LLC d/b/a Pro-Tech Water & Wastewater has worked as the plant operator since the purchase of the Utility on December 14, 2010. Please inform the Commission whether the Buyer has retained Flynn Services, LLC as plant operator.

The **original and four copies** of the response to the information requested in this letter should be filed with the Commission on or before **August 27, 2012**. As noted above, only the **original and two copies of the tariff** are required. 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

Mr. Gary V. Perko

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Should you have any questions concerning the information in this letter, please contact Keino Young at (850) 413-6226 for legal questions, Robert Simpson at (850) 413-7001, or Monica Brown at (850) 413-6838 for technical questions.

Sincerely,

A handwritten signature in black ink that reads "Bart Fletcher". The signature is written in a cursive style with a large initial "B".

Bart Fletcher
Public Utilities Supervisor
Bureau of Rate Filings and Surveillance

BF/mb

cc: Division of Accounting & Finance (Maurey, Fletcher, M. Brown)
Division of Engineering (Ballinger, Simpson, Brady, C. Lewis)
Office of Auditing & Performance Analysis (Daniel)
Office of the General Counsel (Young)
Office of Commission Clerk (Docket No. 120188-WU)