

**FLORIDA PUBLIC SERVICE COMMISSION**

**INSTRUCTIONS FOR COMPLETING EXAMPLE  
APPLICATION FOR TRANSFER OF AN EXEMPT ENTITY TO A REGULATED  
UTILITY, OR TRANSFER OF A UTILITY IN A NON-JURISDICTIONAL COUNTY  
TO A REGULATED UTILITY THAT RESULTS IN A SYSTEM WHOSE SERVICE  
TRANSVERSES COUNTY BOUNDARIES**

**(Pursuant to Section 367.071, Florida Statutes, and  
Rule 25-30.037(3), Florida Administrative Code)**

**General Information**

The attached form is an example application that may be completed by the applicant and filed with the Office of Commission Clerk to comply with Rule 25-30.037(3), Florida Administrative Code (F.A.C.). Any questions regarding this form should be directed to the Division of Engineering at (850) 413-6910.

**Instructions**

1. Pursuant to Rule 25-30.037(1)(a), F.A.C., if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.
2. Fill out the attached application form completely and accurately.
3. Complete all the items that apply to your utility. If an item is not applicable, mark it "N.A." Do not leave any items blank.
4. Remit the proper filing fee pursuant to Rule 25-30.020, F.A.C., with the application.
5. Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.
6. The completed application, attached exhibits, and the proper filing fee should be mailed to:

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

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

The undersigned hereby makes application for the transfer of facilities of a water ☐ and/or wastewater ☐ utility in \_\_\_\_\_ County, Florida, and amendment of the buyer's Water Certificate No. \_\_\_\_\_ and/or Wastewater Certificate No. \_\_\_\_\_ or granting of a new water certificate \_\_\_\_\_ and/or wastewater certificate \_\_\_\_\_, and submits the following information:

**PART I APPLICANT INFORMATION**

- A) Contact Information for Utility/Seller. The utility/seller's certificated name, address, telephone number, and if applicable, fax number, e-mail address, and website address. The utility's name should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations:

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Utility Name

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Office Street Address

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City

State

Zip Code

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Mailing Address (if different from Street Address)

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City

State

Zip Code

( )

( )

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Mailing Address (if different from Street Address)

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City

State

Zip Code

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(    )    -

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Phone Number

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Fax Number

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Federal Employer Identification Number

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E-Mail Address

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New Utility Name

- D) The contact information of the buyer's authorized representative to contact concerning this application:

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Name

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Mailing Address

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City

State

Zip Code

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(    )    -

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Phone Number

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Fax Number

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E-Mail Address

- E) The name, address, telephone number, and if available, e-mail address and fax number of the person in possession of the books and records when the application is filed.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

(    ) -  
Phone Number

(    ) -  
Fax Number

\_\_\_\_\_  
E-Mail Address

- F) Indicate the nature of the buyer's business organization (check one): Provide documentation from the Florida Department of State, Division of Corporations, showing the utility's/buyer's business name and registration/document number for the business, unless operating as a sole proprietor.

☐ Corporation \_\_\_\_\_  
Number

☐ Limited Liability Company \_\_\_\_\_  
Number

☐ Partnership \_\_\_\_\_  
Number

☐ Limited Partnership \_\_\_\_\_  
Number

☐ Limited Liability Partnership \_\_\_\_\_  
Number

☐ Sole Proprietorship

☐ Association

☐ Other (Specify) \_\_\_\_\_

If the utility is doing business under a fictitious name, provide documentation from the Florida Department of State, Division of Corporations showing the utility's fictitious name and registration number for the fictitious name.

☐ Fictitious Name (d/b/a) \_\_\_\_\_  
Registration Number \_\_\_\_\_

- G) The name(s), address(es), and percentage of ownership of each entity or person which owns or will own more than 5 percent interest in the utility (Use additional sheet if necessary).

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- H) Provide the date and state of incorporation or organization of the buyer.

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## **PART II**

### **TRANSFER OF CERTIFICATE**

#### **A) DESCRIPTION OF SALE AGREEMENT**

- 1) Exhibit \_\_\_\_\_ - Provide a copy of the contract for sale and all auxiliary or supplemental agreements. If the sale, assignment, or transfer occurs before Commission approval, the contract shall include a provision that the contract is contingent upon Commission approval.

- 2) Exhibit \_\_\_\_\_ - Provide documentation of the terms of the transfer, including:

- a) The date the closing occurred or will occur.

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- b) The purchase price and terms of payment.

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- c) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of non-regulated operations or entities.

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- d) A description of all consideration between the parties, including promised salaries, retainer fees, stock, stock options, and assumption of obligations.

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- e) Provisions regarding the disposition, where applicable, of customer deposits and interest thereon, guaranteed revenue contracts, developer agreements, customer advances, debt of the utility, and leases.

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- f) A statement that the buyer will fulfill the commitments, obligations, and representations of the seller with regard to utility matters.

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- g) A provision that the buyer has or will obtain the books and records of the seller, including all supporting documentation for rate base additions since the last time rate base was established for the utility;

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- h) A statement that the utility's books and records will be maintained using the National Association of Regulatory Utilities Commissioners Uniform System of Accounts (NARUC USOA), incorporated by reference in Rule 25-30.115, F.A.C.

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- i) A statement that the utility's books and records will be maintained at the utility's office(s) within Florida, or that the utility will comply with the requirements of Rule 25-30.110(1)(b) and (c), F.A.C., regarding maintenance of utility records at another location or out-of-state. If the records will not be maintained at the utility's office(s), the statement should include the location where the utility intends to maintain the books and records.

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**B) FINANCIAL ABILITY**

- 1) Exhibit \_\_\_\_\_ - Provide a detailed financial statement (balance sheet and income statement), audited if available, of the financial condition of the applicant, that shows all assets and liabilities of every kind and character. The financial statements shall be for the preceding calendar or fiscal year. The financial statement shall be prepared in accordance with Rule 25-30.115, F.A.C. If available, a statement of the sources and uses of funds shall also be provided.
- 2) Exhibit \_\_\_\_\_ - Provide a list of all entities, including affiliates, upon which the buyer is relying to provide funding to the utility and an explanation of the manner and amount of such funding. The list need not include any person or entity holding less than 5 percent ownership interest in the utility. The applicant shall provide copies of any financial agreements between the listed entities and the utility and proof of the listed entities' ability to provide funding, such as financial statements.

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**C) TECHNICAL ABILITY**

- 1) Exhibit \_\_\_\_\_ - Provide the buyer's experience in the water or wastewater industry.
- 2) Exhibit \_\_\_\_\_ - Provide the buyer's plans for ensuring continued operation of the utility, such as retaining the existing plant operator(s) and office personnel, or contracting with outside entities.

**D) TERRITORY DESCRIPTION, PUBLIC INTEREST, MAPS AND FACILITIES**

- 1) Exhibit \_\_\_\_\_ - Provide a legal description of the proposed service area in the format prescribed in Rule 25-30.029, F.A.C.

- 2) Exhibit \_\_\_\_\_ - Provide a statement explaining why the transfer is in the public interest.

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- 3) Exhibit \_\_\_\_\_ - Provide a statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and compliance with all applicable standards set by the DEP, or, if the system is in need of repair or improvement, has any outstanding Notice of Violation of any standard set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a description of the repairs or improvements that have been identified, the governmental entity that required the repairs or improvements, if applicable, the approximate cost to complete the repairs or improvements, and any agreements between the seller and buyer regarding who will be responsible for any identified repairs or improvements.

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- 4) Exhibit \_\_\_\_\_ - Provide documentation of the utility's right to continued long-term use of the land upon which the utility treatment facilities are located. This documentation shall be in the form of a recorded warranty deed, recorded quit claim deed accompanied by title insurance, recorded long-term lease, such as a 99-year lease, or recorded easement. The applicant may submit an unrecorded copy of the instrument granting the utility's right to access and continued use of the land upon which the utility treatment facilities are or will be located, provided the applicant files a recorded copy within the time prescribed in the order granting the transfer.

- 5) Exhibit \_\_\_\_\_ - Provide an official county tax assessment map or other map showing township, range, and section, with a scale such as 1" = 200' or 1" = 400', with the proposed territory plotted thereon, consistent with the legal description provided in D-1 above.

- 6) Exhibit \_\_\_\_\_ - Provide a statement describing the capacity of the existing lines, the capacity of the existing treatment facilities, and the design capacity of the proposed extension.
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- 7) Exhibit \_\_\_\_\_ - Provide a copy of all of the utility's current permits from the Department of Environmental Protection (DEP) and the water management district.
- 8) Exhibit \_\_\_\_\_ - Provide a copy of the most recent DEP and/or county health department sanitary survey, compliance inspection report, and secondary standards drinking water report.
- 9) Exhibit \_\_\_\_\_ - Provide a copy of all of the utility's correspondence with the DEP, county health department, and water management district, including consent orders and warning letters, and the utility's responses to the same, for the past five years.
- 10) Exhibit \_\_\_\_\_ - Provide a copy of all customer complaints that the utility has received regarding DEP secondary water quality standards during the past five years.

**E) PROPOSED TARIFF AND RATE INFORMATION**

- 1) Exhibit \_\_\_\_\_ - Provide a tariff containing all rates, classifications, charges, rules, and regulations, which shall be consistent with Chapter 25-9, F.A.C. See Rule 25-30.037, F.A.C., for information about water and wastewater tariffs that are available and may be completed by the applicant and included in the application.
- 2) Exhibit \_\_\_\_\_ - Provide documentation of when and under what authority the current rates and charges of the exempt entity were established, if applicable. If the entity provides water or wastewater service without compensation, please describe when and under what authority it was determined that the non-jurisdictional entity would provide service without compensation.
- 3) Exhibit \_\_\_\_\_ - Provide an explanation of how the seller is either exempt pursuant to Section 367.022, F.S., or is a utility in a nonjurisdictional county.

**F) ACCOUNTING INFORMATION**

- 1) Exhibit \_\_\_\_\_ - Provide the proposed net book value of the system as of the date of the proposed transfer, and a statement setting out the reasons for the inclusion of an acquisition adjustment, if one is requested. If rate base has been established by this Commission, provide the docket and the order number. In addition, provide a schedule of all subsequent changes to rate base.

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- 2) Exhibit \_\_\_\_\_ - Provide 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 the utility was first established or the rate base was last established by the Commission, whichever is later. If the tax returns have not been obtained, provide a description of the steps taken to obtain the tax returns.

- 3) Exhibit \_\_\_\_\_ - Provide a statement regarding the disposition of outstanding regulatory assessment fees, fines, or refunds owed and which entity will be responsible for paying regulatory assessment fees and filing the annual report for the year of the transfer and subsequent years.

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- 4) Exhibit \_\_\_\_\_ - If the buyer currently owns other water or wastewater utilities that are regulated by this Commission, provide a schedule reflecting any economies of scale that are anticipated to be achieved within the next three years and the effect on rates for existing customers served by both the utility being purchased and the buyer's other utilities.

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**G) NOTICING REQUIREMENTS**

Exhibit \_\_\_\_\_ - Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.

**PART III**

**SIGNATURE**

Please sign and date the utility's completed application.

APPLICATION SUBMITTED BY:

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Applicant's Name (Printed)

\_\_\_\_\_  
Applicant's Title

\_\_\_\_\_  
Date