

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water rates in
Highlands County by HC Waterworks, Inc.

DOCKET NO. 20190166-WU

FILED: August 11, 2020

**JOINT MOTION OF HC WATERWORKS, INC. AND
THE OFFICE OF PUBLIC COUNSEL FOR
APPROVAL OF STIPULATION AND SETTLEMENT**

The Citizens of the State of Florida, by and through the Office of Public Counsel (OPC), and HC Waterworks, Inc. (HCW or Utility), (collectively, “Joint Movants”), by and through their undersigned attorneys and representatives, respectfully move the Florida Public Service Commission (Commission or PSC) to approve a Stipulation and Settlement addressing issues associated with PSC Docket No. 20190166-WU, which the Joint Movants have entered into in order to resolve the litigation. In support hereof, the Joint Movants state as follows:

1. On August 26, 2019, this docket was opened when HCW filed a letter with the Commission requesting approval of a test year for rate increase in Highlands County.
2. On October 15, 2019, HCW filed its Application for increased interim and final water rates in Highlands County, along with minimum filing requirements and engineering information.
3. On May 22, 2020, the Commission entered PAA Order No. PSC-2020-0168-PAA WS, (“PAA Order”).
4. The Citizens filed a Petition protesting portions of the PAA Order and Motion for Clarification on June 12, 2020, and on June 16, 2020, HCW filed a Cross-Petition.
5. The Joint Movants negotiated in good faith to resolve the issues in this docket and thereby avoid the need for any further expensive and time-consuming litigation before the

Commission. These efforts have been successful and the result is the Stipulation and Settlement attached hereto as Attachment A (the Agreement).

6. The Agreement is the result of good faith efforts to address the issues in this proceeding in a manner that will clarify and resolve issues raised in the docket and avoid the unnecessary expense and uncertainty associated with further litigation. The Agreement results in a fair, just, and reasonable disposition of the docket to the benefit of both parties. Therefore, the Joint Movants submit the Agreement is in the public interest and respectfully request its approval as further described below.

7. In furtherance of this Joint Motion and approval of the Agreement, the Joint Movants waive any right to seek reconsideration of, or otherwise appeal, any decision of the Commission approving, in its entirety, the Agreement.

8. As set forth in the attached Agreement, the Joint Movants have reached agreement, as follows:

- (a) The Joint Movants agree to work together to engage with HCW's customers. The Parties further agree that the appropriate Commission Staff should be involved in HCW's engagement with customers and the Office of Public Counsel in the ongoing effort to address the Utility's service quality and communication issues referenced in the PAA Order. The Parties agree and respectively request that the Commission Staff participate in any scheduled activities with HCW's customers, HCW, and OPC in order to address service quality and communication, and to measure customer satisfaction on or before February 28, 2021. This may include, but is not

limited to, participation in any customer meetings, County Commissioner meetings, or follow-up telephone calls.

- (b) The Joint Movants agree that HCW shall file quarterly status reports in PSC Docket No. 20190166 beginning three months after the Final Order approving rates is entered and ending one year after the Final Order is entered. The quarterly status reports shall include details regarding (a) all customer complaints received by HCW from August 1, 2020 to the end of the reporting period, and (b) all other communication between HCW and its customers (individual and system-wide customer communications) from August 1, 2020 to the end of the reporting period. Regarding the customer complaints, the details to be included in the quarterly status reports shall include, but not be limited to, the name, address and contact information (phone and/or email) of each complaining customer; the substance of each complaint; whether and how each complaint was resolved; the amount of time from HCW's receipt of the original complaint to resolution; and the Utility's post-resolution follow-up with the customer (the date and manner in which the resolution was communicated to the customer).
- (c) The Parties agree that HCW will timely inform its customers before any pre-planned outages, including but not limited to, system repairs and service. This does not include unforeseen outages beyond HCW's control, such as spontaneous outages caused by sudden power outages, lightning strikes, hurricanes, or mechanical failures, in which case HCW will notify customers as soon as the emergency allows. HCW will follow the

prescribed noticing for precautionary boil water notices pursuant to the Florida Department of Environmental Protection and Department of Health regulations.

- (d) The Parties agree to withdraw their respective petitions regarding the PAA Order, and that the terms agreed to herein shall be made part of an Amended PAA Order. The Parties agree that the terms of the Amended PAA Order shall, without protest from either Party, become final and effective upon the issuance of a Consummating Order or issuance of such other Order entered by the Commission to implement the terms of the Amended PAA Order.
- (e) The Joint Movants further agree that approval of the Agreement in its entirety will resolve all matters and issues which are the subject matter of the Agreement in Docket No. 20190166-WU, and that neither Party shall seek appellate review of any order pertaining to the Agreement.

9. The Joint Movants represent that the Agreement provides an equitable and just balance of the positions of the Joint Movants on the issues in this proceeding. The Joint Movants submit approval of the Agreement is in the best interests of both the Utility and its customers, and therefore, respectfully request approval of same.

10. Commission approval of this Joint Motion is consistent with the Commission's long-standing policy to encourage settlements that provide benefits to the customers and avoid unnecessary additional litigation expense.

WHEREFORE, the Joint Movants respectfully request that the Commission approve the Agreement attached hereto as Attachment A.

Respectfully submitted this 4 day of August, 2020, by:



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HC Waterworks, Inc.
Mr. Troy Rendell
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New Port Richey, FL 34652
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CERTIFICATE OF SERVICE
Docket No. 20190166-WU

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on this 11th day of August 2020, to the following:

HC Waterworks, Inc.
Mr. Troy Rendell
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New Port Richey, FL 34652
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Florida Public Service Commission
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/s/ Stephanie A. Morse
Stephanie A. Morse
Associate Public Counsel
Florida Bar #0068713

ATTACHMENT A

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water rates in
Highlands County by HC Waterworks, Inc.

DOCKET NO. 20190166-WU

FILED: August 11, 2020

STIPULATION AND SETTLEMENT AGREEMENT

WHEREAS, HC Waterworks, Inc. (HC or Utility), and the Citizens of the State of Florida, through the Office of Public Counsel (“OPC”), have signed this Stipulation and Settlement (the “Agreement;” unless the context clearly requires otherwise, the term “Party” or “Parties” means a signatory to this Agreement); and

WHEREAS, on August 26, 2019, HC initiated the subject docket by submitting a Request for Test Year Approval Pursuant to Rule 25-30.430, Florida Administrative Code; and

WHEREAS, on October 15, 2019, HC filed its Application for increase in interim and final water rates; and

WHEREAS, on May 22, 2020, the Public Service Commission (“PSC” or “the Commission”) entered PAA Order PSC-2020-0168-PAA-WS, approving an increase in water rates for HC Waterworks (“PAA Order”); and

WHEREAS, page 24 of the PAA Order “require[s] that HC engage with its customers and the Office of Public Counsel in an ongoing effort to address the Utility’s service quality and communication issues,” and

WHEREAS, OPC filed a Petition Protesting Portions of the PAA Order and Motion for Clarification of the PAA Order on June 12, 2020; and

WHEREAS, HCW filed a response and cross-protest petition on June 16, 2020; and

ATTACHMENT A

PSC Docket No. 20190166-WU
Stipulation and Settlement Agreement

WHEREAS, the Parties to this Agreement have undertaken to resolve the issues raised in this docket so as to achieve fairness to customers and the Utility and to ensure compliance with the applicable Florida Statutes and Florida Rules of Administrative Procedure; and

WHEREAS, the Parties have entered into this Agreement in compromise of positions taken in accord with their rights and interests under Chapters 350, 367 and 120, Florida Statutes, as applicable, and as a part of the negotiated exchange of consideration among the parties to this Agreement each has agreed to concessions to the others with the expectation that all provisions of the Agreement will be enforced by the Commission as to all matters addressed herein with respect to all Parties upon acceptance of the Agreement as provided herein and upon approval in the public interest;

NOW THEREFORE, in consideration of the foregoing and the covenants contained herein, the Parties hereby stipulate and agree:

1. This Agreement will become effective on the date it is approved by the Commission (the "Effective Date").
2. The Parties agree to work together to engage with HC's customers. The Parties further agree that the appropriate Commission Staff should be involved in HC's engagement with customers and the Office of Public Counsel in the ongoing effort to address the Utility's service quality and communication issues referenced in the PAA Order.
3. The Parties agree that HC shall file quarterly status reports in PSC Docket No. 20190166 beginning three months after the Final Order approving rates is entered and ending one year after the Final Order is entered. The quarterly status reports shall include details regarding (a) all customer complaints received by HC from August 1, 2020 to the end of the reporting period, and (b) all other communication between HC and its customers

ATTACHMENT A

PSC Docket No. 20190166-WU Stipulation and Settlement Agreement

(individual and system-wide customer communications) from August 1, 2020 to the end of the reporting period. Regarding the customer complaints, the details to be included in the quarterly status reports shall include, but not be limited to, the name, address and contact information (phone and/or email) of each complaining customer; the substance of each complaint; whether and how each complaint was resolved; the amount of time from HC's receipt of the original complaint to resolution; and the Utility's post-resolution follow-up with the customer (the date and manner in which the resolution was communicated to the customer).

4. The Parties agree that HC will timely inform its customers before any pre-planned outages, including but not limited to, system repairs and service. This does not include unforeseen outages beyond HC's control, such as spontaneous outages caused by sudden power outages, lightning strikes, hurricanes, or mechanical failures, in which case HC will notify customers as soon as the emergency allows. HC Waterworks will follow the prescribed noticing for precautionary boil water notices pursuant to the Florida Department of Environmental Protection and Department of Health regulations.
5. The Parties agree to withdraw their respective petitions regarding the PAA Order, and that the terms agreed to herein shall be made part of an Amended PAA Order. The Parties agree that the terms of the Amended PAA Order shall, without protest from either Party, become final and effective upon the issuance of a Consummating Order or issuance of such other Order entered by the Commission to implement the terms of the Amended PAA Order.
6. The Parties agree and respectively request that the Commission Staff participate in any scheduled activities with HC's customers, HC, and OPC in order to address service quality and communication, and to measure customer satisfaction on or before February 28, 2021.

ATTACHMENT A

PSC Docket No. 20190166-WU
Stipulation and Settlement Agreement

This may include, but is not limited to, participation in any customer meetings, County Commissioner meetings, or follow-up telephone calls.


7. No Party to this Agreement will request, support, or seek to impose a change in the application of any provision hereof.
8. The provisions of this Agreement are contingent on approval of this Agreement in its entirety by the Commission without modification. The Parties agree that approval of this Agreement is in the public interest. The Parties further agree that they will support this Agreement and will not request or support any order, relief, outcome, or result in conflict with the terms of this Agreement in any administrative or judicial proceeding relating to, reviewing, or challenging the establishment, approval, adoption, or implementation of this Agreement or the subject matter hereof. No party will assert in any proceeding before the Commission or any court that this Agreement or any of the terms in the Agreement shall have any precedential value, except to enforce the provisions of this Agreement. Approval of this Agreement in its entirety will resolve all matters and issues in Docket No. 20190166-WU pursuant to, and in accordance with, Section 120.57(4), Florida Statutes. No party shall seek appellate review of any order issued in this Docket, as it relates to the enforceability of this Agreement.
9. This Agreement is dated as of the date the last signature is affixed. It may be executed in counterpart originals, and a scanned .pdf copy of an original signature shall be deemed an original.

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PSC Docket No. 20190166-WU
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In Witness Whereof, the Parties evidence their acceptance and agreement with the provisions of this Agreement by their signature.

HC Waterworks, Inc.
c/o Troy Rendell
4939 Cross Bayou Blvd.
New Port Richey, FL 34652

By: 

Troy Rendell
(Printed Name)

Title: Vice President / Secretary

Office of Public Counsel
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By: 

J.R. Kelly