

STATE OF FLORIDA

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OFFICE OF THE GENERAL COUNSEL
KEITH C. HETRICK
GENERAL COUNSEL
(850) 413-6199

Public Service Commission

August 19, 2020

Mr. Michael Smallridge
Florida Utility Services 1, LLC
5911 Trouble Creek Rd.
New Port Richey, FL 34652
Mike@fus1llc.com

Re: Docket No. 20200152-WS; Application for a limited alternative rate increase proceeding in Hardee, Lake, Pasco, and Polk Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, Charlie Creek Utilities, LLC, Orange Land Utilities, LLC, Crestridge Utilities, LLC, Holiday Gardens Utilities, LLC, and East Marion Utilities, LLC

Dear Mr. Smallridge:

Please find enclosed draft Notices for the Solicitation of Comments. As you are aware, due to the pandemic, staff will not be conducting customer meetings in this proceeding. In order to allow customers an opportunity to provide comments, please mail the attached notices to the customers of the respective utility and provide an affidavit of mailing. We ask that this be mailed to your customers as soon as possible so that comments may be received in time to be considered by the Florida Public Service Commission at its October 6, 2020 Commission Conference. The date has been left blank so you can fill in the date that the notice is sent to the customers. Please furnish me with a copy of the notice that is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

Should you have any questions about the matters contained herein, please do not hesitate to contact me at (850) 413-6230. In addition, you may contact Sonica Bruce at (850) 413-6994 or Shannon Hudson at (850) 413-7021 with any questions.

Sincerely,

/s/ Gabriella Passidomo

Gabriella Passidomo
Attorney

Enclosures

GAP/cf

cc: Office of Commission Clerk (Docket No. 20200152-WS)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE FOR THE SOLICITATION OF COMMENTS
TO THE CUSTOMERS OF
ALTURAS WATER, LLC
AND ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 20200152-WS

Application for a limited alternative rate increase proceeding in Hardee, Lake, Pasco, and Polk Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, Charlie Creek Utilities, LLC, Orange Land Utilities, LLC, Crestridge Utilities, LLC, Holiday Gardens Utilities, LLC, and East Marion Utilities, LLC.

DATED: _____

NOTICE is hereby given that the staff of the Florida Public Service Commission (Commission) is seeking comment and information from utility customers pertaining to the petition of Alturas Water, LLC (Alturas or utility) for a limited alternative rate increase (LARI) in Polk County.

PURPOSE

The purpose of this Notice is to advise customers and other interested persons how they may provide comment to Commission staff regarding the quality of service the utility provides and on the utility's proposed increase in rates included in this notice. These comments will be taken into consideration by the Commission in its decision regarding the proposed rate increase.

HOW TO PROVIDE COMMENTS TO THE COMMISSION

Any person who wishes to comment or provide information may do so in one of the ways listed below.

- ❖ Email your comments to the Commission at clerk@psc.state.fl.us.
- ❖ Fill out and return, by US Mail or fax, the "Comment Card" attached to this Notice.
- ❖ Submit written comments to the Commission Clerk at the address below.

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

All correspondence should refer to "Docket No. 20200152-WS, Alturas Water, LLC"

- ❖ Address the Commissioners by phone during the Commission's Conference, currently scheduled for October 6, 2020. You may address the Commissioners by phone even if you also provide written comments through any of the other methods. If you would like to provide comments by phone at the Commission Conference, please contact Gabriella Passidomo with the PSC at (850) 413-6230 or GPassido@psc.state.fl.us prior to October 6, 2020.

Please note that written comments are given the same consideration as if they were provided to the Commission in-person.

BACKGROUND

Alturas Utilities, LLC., (Alturas or Utility) is a Class C utility providing service in Polk County to approximately 48 residential customers and 7 general service customers. In 1997, Alturas was granted a certificate when Polk County turned over jurisdiction of privately-owned water and wastewater utilities to the Commission.¹ Alturas is operated under Florida Utility Services 1, LLC (FUS1), a service company. The utility's rates for water were last approved by the Commission in a staff-assisted rate case in 2016.² Subsequently, the rates were increased by two price index rate adjustments. According to Alturas's 2019 annual report, water service total gross revenues were \$23,880 and total operating expenses were \$28,893.

The limited alternative rate increase (LARI) process allows small water and wastewater utilities to petition the Commission for a rate increase of up to 20 percent under a streamlined process. The Commission's rule (25-30.457, Florida Administrative Code) requires the utility to identify the need for the rate increase and it provides protections to customers that ensure the utility's earnings do not exceed the range of its authorized rate of return. On May 28, 2020, Alturas filed an application for a LARI to recover from customers its share of increased common costs (such as office expense, salaries, and insurance) payable to its service company, FUS1. In addition, Alturas also seeks to recover its share of the costs for a new Compliance Technician position. The utility selected the test year ended December 31, 2019. In its application, pursuant to rule 25-30.457, F.A.C., the utility is requesting to apply a 13.60 percent increase to its existing rates.

Copies of the utility's application for a limited alternative rate increase and all attachments are available for review by members of the public by visiting <http://www.floridapsc.com/ClerkOffice/Docket> and entering 20200152 in the docket number search field.

CURRENT AND PROPOSED MONTHLY WATER RATES

	UTILITY'S CURRENT RATES	UTILITY'S PROPOSED RATES
<u>Residential and General Service</u>		
Base Facility Charge by Meter Size		
5/8"X 3/4"	\$13.11	\$14.61
3/4"	\$19.67	\$21.91
1"	\$32.78	\$36.52
1-1/2"	\$65.55	\$73.05
2"	\$104.88	\$116.87
3"	\$209.76	\$233.75
4"	\$327.75	\$365.23
6"	\$655.50	\$730.46
Charge per 1,000 gallons	\$5.91	\$6.59

¹ Order No. PSC-97-0513-FOF-WU, issued on May 5, 1997, in Docket No. 961109-WU, *In re: Application for Grandfather Certificate to Operate a Water Utility in Polk County by Alturas Water Works.*

² Order No. PSC-16-0128-PAA-WU, issued on March 29, 2016, in Docket No. 140219-WU, *In re: Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.*

PROCEDURES AFTER RECEIVING COMMENTS

Commission staff will prepare a recommendation on the utility's proposed rate increase which is tentatively scheduled to be submitted to the Commission on September 24, 2020. The Commission will then vote on staff's recommendation, taking into consideration customer comments, at its October 6, 2020, Commission Conference. As noted above, customers may address the Commission directly at this Conference. Customers may also watch the Commission Conference live from the PSC website at www.floridapsc.com. Look for the "Watch Live Broadcast" icon on the left side of the webpage.

The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's final recommendation. Substantially affected persons have 21 days from the date that the PAA order is issued to protest the Commission's PAA order. Customers may obtain a copy of staff's recommendation and all documents filed in this docket under the Clerk's Office tab at the Commission's website (<http://www.floridapsc.com>).

CONTACTING THE OFFICE OF PUBLIC COUNSEL (OPC)

At any time during this process, you may contact the Office of Public Counsel. The Office of Public Counsel was established by the Florida Legislature to advocate on behalf of you and the other utility consumers before both the Commission, and other state and federal regulatory authorities. The Public Counsel is independent from the Commission, and accounts only to the people of the state of Florida through the Florida Legislature. You can reach the Office of Public Counsel at (800) 342-0222 or www.floridaopc.gov

HAVE QUESTIONS OR NEED ADDITIONAL INFORMATION

Contact information for staff is provided below. You may also find additional information in the Rate Case Overview, which can be viewed at <http://www.floridapsc.com/Publications/RateCaseOverviews>.

For technical questions contact: Terence Bethea at (850) 413-6435 or TBethea@psc.state.fl.us

For legal questions contact: Gabriella Passidomo at (850) 413-6230 or GPassido@psc.state.fl.us

Please note, if you would like to provide comments by phone at the Commission Conference, please contact Gabriella Passidomo prior to October 6, 2020.

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Assistance and Outreach at the following toll-free number 1-800-342-3552.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE FOR THE SOLICITATION OF COMMENTS
TO THE CUSTOMERS OF
EAST MARION UTILITIES, LLC
AND ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 20200152-WS

Application for a limited alternative rate increase proceeding in Hardee, Lake, Pasco, and Polk Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, Charlie Creek Utilities, LLC, Orange Land Utilities, LLC, Crestridge Utilities, LLC, Holiday Gardens Utilities, LLC, and East Marion Utilities, LLC.

DATED: _____

NOTICE is hereby given that the staff of the Florida Public Service Commission (Commission) is seeking comment and information from utility customers pertaining to the petition of East Marion Utilities, LLC (East Marion or utility) for a limited alternative rate increase (LARI) in Marion County.

PURPOSE

The purpose of this Notice is to advise customers and other interested persons how they may provide comment to Commission staff regarding the quality of service the utility provides and on the utility's proposed increase in rates included in this notice. These comments will be taken into consideration by the Commission in its decision regarding the proposed rate increase.

HOW TO PROVIDE COMMENTS TO THE COMMISSION

Any person who wishes to comment or provide information may do so in one of the ways listed below.

- ❖ Email your comments to the Commission at clerk@psc.state.fl.us.
- ❖ Fill out and return, by US Mail or fax, the "Comment Card" attached to this Notice.
- ❖ Submit written comments to the Commission Clerk at the address below.

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

All correspondence should refer to "Docket No. 20200152-WS, East Marion Utilities, LLC"

- ❖ Address the Commissioners by phone during the Commission's Conference, currently scheduled for October 6, 2020. You may address the Commissioners by phone even if you also provide written comments through any of the other methods. If you would like to provide comments by phone at the Commission Conference, please contact Gabriella Passidomo with the PSC at (850) 413-6230 or GPassido@psc.state.fl.us prior to October 6, 2020.

Please note that written comments are given the same consideration as if they were provided to the Commission in-person.

BACKGROUND

East Marion Utilities, LLC is a Class C utility providing service in Marion County to approximately 106 water and 94 wastewater customers. The utility was originally certificated in 1987.¹ East Marion is operated under Florida Utility Services 1, LLC (FUS1), a service company. The utility's rates for water and wastewater service were last approved in a staff assisted rate case in 2017.² Subsequently, the rates were increased by three price index rate adjustments. According to East Marion's 2019 annual report, service total gross revenues were \$32,799 for water and \$43,310 for wastewater. Total operating expenses were \$38,844 for water and \$46,671 for wastewater.

The limited alternative rate increase (LARI) process allows small water and wastewater utilities to petition the Commission for a rate increase of up to 20 percent under a streamlined process. The Commission's rule (25-30.457, Florida Administrative Code) requires the utility to identify the need for the rate increase and it provides protections to customers that ensure the utility's earnings do not exceed the range of its authorized rate of return. On May 28, 2020, East Marion filed an application for a LARI to recover from customers its share of increased common costs (such as office expense, salaries, and insurance) payable to its service company, FUS1. In its application, pursuant to rule 25-30.457, F.A.C., the utility is requesting to apply to its existing rates increases of 8.06 percent for water and 5.67 percent for wastewater rates.

Copies of the utility's application for a limited alternative rate increase and all attachments are available for review by members of the public by visiting <http://www.floridapsc.com/ClerkOffice/Docket> and entering 20200152 in the docket number search field.

CURRENT AND PROPOSED MONTHLY WATER RATES

	UTILITY'S CURRENT RATES	UTILITY'S PROPOSED RATES
<u>Residential and General Service</u>		
Base Facility Charge by Meter Size		
5/8"X 3/4"	\$12.77	\$13.55
3/4"	\$19.16	\$20.33
1"	\$31.93	\$33.88
1-1/2"	\$63.85	\$67.75
2"	\$102.16	\$108.40
3"	\$204.32	\$216.80
4"	\$319.25	\$338.76
6"	\$638.50	\$677.51
Charge per 1,000 gallons – Residential Service		
0 – 10,000 gallons	\$2.68	\$2.84
Over 10,000 gallons	\$4.01	\$4.26
Charge per 1,000 gallons – General Service	\$3.13	\$3.32

¹ Order No. 17837, issued July 7, 1987, in Docket No. 870389-WU, *In re: Application of East Marion Water Distribution, Inc. for a certificate to operate a water utility in Marion County, Florida.*

² Order No. PSC-17-0107-PAA-WS, issued March 24, 2017, in Docket No. 20150257-WS, *In re: Application for staff-assisted rate case in Marion County, by East Marion Utilities, LLC.*

CURRENT AND PROPOSED MONTHLY WASTEWATER RATES

	UTILITY'S CURRENT RATES	UTILITY'S PROPOSED RATES
<u>Residential Service</u>		
All Meter Sizes	\$17.52	\$18.33
Charge per 1,000 gallons 10,000 gallon cap	\$5.34	\$5.59
<u>General Service</u>		
Base Facility Charge by Meter Size		
5/8"X 3/4"	\$17.52	\$18.33
3/4"	\$26.28	\$27.51
1"	\$43.80	\$45.84
1-1/2"	\$87.60	\$91.67
2"	\$140.16	\$146.67
3"	\$280.32	\$293.33
4"	\$438.00	\$458.33
6"	\$876.00	\$916.66
Charge per 1,000 gallons	\$6.41	\$6.71

PROCEDURES AFTER RECEIVING COMMENTS

Commission staff will prepare a recommendation on the utility's proposed rate increase which is tentatively scheduled to be submitted to the Commission on September 24, 2020. The Commission will then vote on staff's recommendation, taking into consideration customer comments, at its October 6, 2020, Commission Conference. As noted above, customers may address the Commission directly at this Conference. Customers may also watch the Commission Conference live from the PSC website at www.floridapsc.com. Look for the "Watch Live Broadcast" icon on the left side of the webpage.

The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's final recommendation. Substantially affected persons have 21 days from the date that the PAA order is issued to protest the Commission's PAA order. Customers may obtain a copy of staff's recommendation and all documents filed in this docket under the Clerk's Office tab at the Commission's website (<http://www.floridapsc.com>).

CONTACTING THE OFFICE OF PUBLIC COUNSEL (OPC)

At any time during this process, you may contact the Office of Public Counsel. The Office of Public Counsel was established by the Florida Legislature to advocate on behalf of you and the other utility consumers before both the Commission, and other state and federal regulatory authorities. The Public Counsel is independent from the Commission, and accounts only to the people of the state of Florida through the Florida Legislature. You can reach the Office of Public Counsel at (800) 342-0222 or www.floridaopc.gov

HAVE QUESTIONS OR NEED ADDITIONAL INFORMATION

Contact information for staff is provided below. You may also find additional information in the Rate Case Overview, which can be viewed at <http://www.floridapsc.com/Publications/RateCaseOverviews>.

For technical questions contact: Matthew Sibley at (850) 413-6516 or MSibley@psc.state.fl.us

For legal questions contact: Gabriella Passidomo at (850) 413-6230 or GPassido@psc.state.fl.us

Please note, if you would like to provide comments by phone at the Commission Conference, please contact Gabriella Passidomo prior to October 6, 2020.

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Assistance and Outreach at the following toll-free number 1-800-342-3552.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE FOR THE SOLICITATION OF COMMENTS
TO THE CUSTOMERS OF
PINECREST UTILITIES, LLC
AND ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 20200152-WS

Application for a limited alternative rate increase proceeding in Hardee, Lake, Pasco, and Polk Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, Charlie Creek Utilities, LLC, Orange Land Utilities, LLC, Crestridge Utilities, LLC, Holiday Gardens Utilities, LLC, and East Marion Utilities, LLC.

DATED: _____

NOTICE is hereby given that the staff of the Florida Public Service Commission (Commission) is seeking comment and information from utility customers pertaining to the petition of Pinecrest Utilities, LLC (Pinecrest or utility) for a limited alternative rate increase (LARI) in Polk County.

PURPOSE

The purpose of this Notice is to advise customers and other interested persons how they may provide comment to Commission staff regarding the quality of service the utility provides and on the utility's proposed increase in rates included in this notice. These comments will be taken into consideration by the Commission in its decision regarding the proposed rate increase.

HOW TO PROVIDE COMMENTS TO THE COMMISSION

Any person who wishes to comment or provide information may do so in one of the ways listed below.

- ❖ Email your comments to the Commission at clerk@psc.state.fl.us.
- ❖ Fill out and return, by US Mail or fax, the "Comment Card" attached to this Notice.
- ❖ Submit written comments to the Commission Clerk at the address below.

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

All correspondence should refer to "Docket No. 20200152-WS, Pinecrest Utilities, LLC"

- ❖ Address the Commissioners by phone during the Commission's Conference, currently scheduled for October 6, 2020. You may address the Commissioners by phone even if you also provide written comments through any of the other methods. If you would like to provide comments by phone at the Commission Conference, please contact Gabriella Passidomo with the PSC at (850) 413-6230 or GPassido@psc.state.fl.us prior to October 6, 2020.

Please note that written comments are given the same consideration as if they were provided to the Commission in-person.

BACKGROUND

Pinecrest Utilities, LLC is a Class C utility providing water service in Polk County to approximately 142 customers. The Utility was constructed in 1987. In 1997, Pinecrest was granted a certificate when Polk County turned over jurisdiction of privately-owned water and wastewater utilities to the Commission.¹ Pinecrest is operated under Florida Utility Services 1, LLC (FUS1), a service company. The utility's rates for water were last approved by the Commission in a staff-assisted rate case in 2013.² Subsequently, the rates were increased by five price index rate adjustments and decreased by two rate reductions to remove fully amortized rate case expense. According to Pinecrest's 2019 annual report, water service total gross revenues were \$62,864 and total operating expenses were \$60,120.

The limited alternative rate increase (LARI) process allows small water and wastewater utilities to petition the Commission for a rate increase of up to 20 percent under a streamlined process. The Commission's rule (25-30.457, Florida Administrative Code) requires the utility to identify the need for the rate increase and it provides protections to customers that ensure the utility's earnings do not exceed the range of its authorized rate of return. On May 28, 2020, Pinecrest filed an application for a LARI to recover from customers its share of increased common costs (such as office expense, salaries, and insurance) payable to its service company, FUS1. In addition, Pinecrest also seeks to recover its share of the costs for a new Compliance Technician position. In its application, the utility is requesting a 6.39 percent increase to its existing rates.

Copies of the utility's application for a limited alternative rate increase and all attachments are available for review by members of the public by visiting <http://www.floridapsc.com/ClerkOffice/Docket> and entering 20200152 in the docket number search field.

CURRENT AND PROPOSED MONTHLY WATER RATES

	UTILITY'S CURRENT RATES	UTILITY'S PROPOSED RATES
<u>Residential and General Service</u>		
Base Facility Charge by Meter Size		
5/8"X 3/4"	\$16.36	\$17.14
1"	\$24.54	\$25.72
1-1/2"	\$40.90	\$42.86
2"	\$81.80	\$85.70
3"	\$130.88	\$137.12
4"	\$261.76	\$274.24
6"	\$409.00	\$428.50
8"	\$818.00	\$857.00
Charge per 1,000 gallons	\$4.93	\$5.16

¹ Order No. PSC-97-0367-FOF-WU, issued April 2, 1997, in Docket No. 19961253-WU, *In re: Application for grandfather certificate to provide water service in Polk County by Pinecrest Ranches.*

² Order No. PSC-13-0320-PAA-WU, issued July 13, 2013, in Docket No. 20120269-WU, *In re: Application for staff-assisted rate case in Polk County by Pinecrest Utilities, L.L.C.*

PROCEDURES AFTER RECEIVING COMMENTS

Commission staff will prepare a recommendation on the utility's proposed rate increase which is tentatively scheduled to be submitted to the Commission on September 24, 2020. The Commission will then vote on staff's recommendation, taking into consideration customer comments, at its October 6, 2020, Commission Conference. As noted above, customers may address the Commission directly at this Conference. Customers may also watch the Commission Conference live from the PSC website at www.floridapsc.com. Look for the "Watch Live Broadcast" icon on the left side of the webpage.

The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's final recommendation. Substantially affected persons have 21 days from the date that the PAA order is issued to protest the Commission's PAA order. Customers may obtain a copy of staff's recommendation and all documents filed in this docket under the Clerk's Office tab at the Commission's website (<http://www.floridapsc.com>).

CONTACTING THE OFFICE OF PUBLIC COUNSEL (OPC)

At any time during this process, you may contact the Office of Public Counsel. The Office of Public Counsel was established by the Florida Legislature to advocate on behalf of you and the other utility consumers before both the Commission, and other state and federal regulatory authorities. The Public Counsel is independent from the Commission, and accounts only to the people of the state of Florida through the Florida Legislature. You can reach the Office of Public Counsel at (800) 342-0222 or www.floridaopc.gov

HAVE QUESTIONS OR NEED ADDITIONAL INFORMATION

Contact information for staff is provided below. You may also find additional information in the Rate Case Overview, which can be viewed at <http://www.floridapsc.com/Publications/RateCaseOverviews>.

For technical questions contact: Sonica Bruce at (850) 413-6994 or SBruce@psc.state.fl.us

For legal questions contact: Gabriella Passidomo at (850) 413-6230 or GPassido@psc.state.fl.us

Please note, if you would like to provide comments by phone at the Commission Conference, please contact Gabriella Passidomo prior to October 6, 2020.

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Assistance and Outreach at the following toll-free number 1-800-342-3552.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE FOR THE SOLICITATION OF COMMENTS
TO THE CUSTOMERS OF
SUNRISE WATER, LLC
AND ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 20200152-WS

Application for a limited alternative rate increase proceeding in Hardee, Lake, Pasco, and Polk Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, Charlie Creek Utilities, LLC, Orange Land Utilities, LLC, Crestridge Utilities, LLC, Holiday Gardens Utilities, LLC, and East Marion Utilities, LLC.

DATED: _____

NOTICE is hereby given that the staff of the Florida Public Service Commission (Commission) is seeking comment and information from utility customers pertaining to the petition of Sunrise Water, LLC (Sunrise or utility) for a limited alternative rate increase (LARI) in Polk County.

PURPOSE

The purpose of this Notice is to advise customers and other interested persons how they may provide comment to Commission staff regarding the quality of service the utility provides and on the utility's proposed increase in rates included in this notice. These comments will be taken into consideration by the Commission in its decision regarding the proposed rate increase.

HOW TO PROVIDE COMMENTS TO THE COMMISSION

Any person who wishes to comment or provide information may do so in one of the ways listed below.

- ❖ Email your comments to the Commission at clerk@psc.state.fl.us.
- ❖ Fill out and return, by US Mail or fax, the "Comment Card" attached to this Notice.
- ❖ Submit written comments to the Commission Clerk at the address below.

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

All correspondence should refer to "Docket No. 20200152-WS, Sunrise Water, LLC"

- ❖ Address the Commissioners by phone during the Commission's Conference, currently scheduled for October 6, 2020. You may address the Commissioners by phone even if you also provide written comments through any of the other methods. If you would like to provide comments by phone at the Commission Conference, please contact Gabriella Passidomo with the PSC at (850) 413-6230 or GPassido@psc.state.fl.us prior to October 6, 2020.

Please note that written comments are given the same consideration as if they were provided to the Commission in-person.

BACKGROUND

Sunrise Utilities, LLC (Sunrise or utility) is a Class C utility providing water service in Polk County to approximately 257 customers. The utility was granted a grandfather certificate in 1997.¹ Sunrise is operated under Florida Utility Services 1, LLC (FUS1), a service company. The utility's rates for water were last approved in a staff-assisted rate case in 2016. Subsequently, the rates were increased by two price index rate adjustments and decreased by a rate reduction to remove fully amortized rate case expense. According to Sunrise's annual report, water service total gross revenues were \$62,000 and total operating expenses were \$75,966.

The limited alternative rate increase (LARI) process allows small water and wastewater utilities to petition the Commission for a rate increase of up to 20 percent under a streamlined process. The Commission's rule (25-30.457, Florida Administrative Code) requires the utility to identify the need for the rate increase and it provides protections to customers that ensure the utility's earnings do not exceed the range of its authorized rate of return. On May 28, 2020, Sunrise filed an application for a LARI to recover from customers its share of increased common costs (such as office expense, salaries, and insurance) payable to its service company, FUS1. In addition, Sunrise also seeks to recover its share of the costs for a new Compliance Technician position. In its application, the utility is requesting a 22.92 percent increase to its existing rates.

Copies of the utility's application for a limited alternative rate increase and all attachments are available for review by members of the public by visiting <http://www.floridapsc.com/ClerkOffice/Docket> and entering 20200152 in the docket number search field.

CURRENT AND PROPOSED MONTHLY WATER RATES

	UTILITY'S CURRENT RATES	UTILITY'S PROPOSED RATES
<u>Residential and General Service</u>		
Base Facility Charge by Meter Size		
5/8"X 3/4"	\$10.50	\$12.65
3/4"	\$15.75	\$18.98
1"	\$26.25	\$31.63
1-1/2"	\$52.50	\$63.24
2"	\$84.00	\$101.18
3"	\$168.00	\$202.37
4"	\$262.50	\$316.20
6"	\$525.00	\$632.40
Charge per 1,000 gallons – Residential Service		
0 – 5,000 gallons	\$3.35	\$4.03
5,001 – 10,000 gallons	\$3.68	\$4.44
Over 10,000 gallons	\$7.36	\$8.86
Charge per 1,000 gallons – General Service	\$3.81	\$4.58

¹ Order No. PSC-97-0832-FOF-WU, issued July 11, 1997, in Docket No. 19961249-WU, *In re: Application for grandfather certificate to provide water service in Polk County by Sunrise Water Company, Inc.*

PROCEDURES AFTER RECEIVING COMMENTS

Commission staff will prepare a recommendation on the utility's proposed rate increase which is tentatively scheduled to be submitted to the Commission on September 24, 2020. The Commission will then vote on staff's recommendation, taking into consideration customer comments, at its October 6, 2020, Commission Conference. As noted above, customers may address the Commission directly at this Conference. Customers may also watch the Commission Conference live from the PSC website at www.floridapsc.com. Look for the "Watch Live Broadcast" icon on the left side of the webpage.

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CONTACTING THE OFFICE OF PUBLIC COUNSEL (OPC)

At any time during this process, you may contact the Office of Public Counsel. The Office of Public Counsel was established by the Florida Legislature to advocate on behalf of you and the other utility consumers before both the Commission, and other state and federal regulatory authorities. The Public Counsel is independent from the Commission, and accounts only to the people of the state of Florida through the Florida Legislature. You can reach the Office of Public Counsel at (800) 342-0222 or www.floridaopc.gov

HAVE QUESTIONS OR NEED ADDITIONAL INFORMATION

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For technical questions contact: Sonica Bruce at (850) 413-6994 or SBruce@psc.state.fl.us

For legal questions contact: Gabriella Passidomo at (850) 413-6230 or GPassido@psc.state.fl.us

Please note, if you would like to provide comments by phone at the Commission Conference, please contact Gabriella Passidomo prior to October 6, 2020.

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Assistance and Outreach at the following toll-free number 1-800-342-3552.

