FILED MAR 13, 2015 DOCUMENT NO. 01411-15 FPSC - COMMISSION CLERK

# BREVARD WATERWORKS, INC.

# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**DOCKET NO. 140186-WU** 

# **AFFIRMATION OF MAILING**

STATE OF FLORIDA COUNTY OF PASCO

This statement submitted on March 13, 2015, affirms that on this day, the Customer Meeting

Notice for the staff assisted rate case was mailed via US mail service to the customers of Brevard

Waterworks, Inc.

Troy Rendell

Manager of Regulated Utilities

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

## NOTICE OF CUSTOMER MEETING

# TO THE CUSTOMERS OF BREVARD WATERWORKS, INC.

#### AND

#### ALL OTHER INTERESTED PERSONS

**DOCKET NO. 140186-WU** 

# APPLICATION OF BREVARD WATERWORKS, INC.

#### FOR A STAFF-ASSISTED RATE CASE IN

#### **BREVARD COUNTY**

Issued: March 13, 2015

NOTICE is hereby given that the Staff of the Florida Public Service Commission (Commission) will conduct a customer meeting to discuss Brevard Waterworks, Inc.'s (Brevard Waterworks or Utility) application for a staff-assisted rate case (SARC) in Brevard County. The meeting will be held at the following time and place:

6:00 p.m., Thursday April 9, 2015 Mims Scottsmoor Public Library 3615 Lionel Road Mims, Florida 32754

All persons who wish to comment are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present. One or more Commissioners of the Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all the customers have been heard.

If a named storm or other disaster requires cancellation of the meeting, Commission staff will attempt to give timely direct notice to the parties. Notice of the cancellation of the meeting will also be provided on the Commission's website (<a href="http://www.psc.state.fl.us/">http://www.psc.state.fl.us/</a>) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Commission's Office of the General Counsel at (850) 413-6199.

Any person requiring some accommodation at the customer meeting because of a physical impairment should call the Office of Commission Clerk at (850) 413-6770 at least five calendar days prior to the meeting. Any person who is hearing or speech impaired should contact the Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

#### **PURPOSE**

The purpose of this meeting is to give customers and other interested persons an opportunity to offer comments to Commission staff regarding the quality of service the Utility provides, the recommended rate increase, and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will summarize Brevard Waterworks' filing; the preliminary work accomplished, and answer questions to the extent possible. A representative from the Utility has also been invited to respond to questions.

At the beginning of the meeting, procedures will be established for the order of comments. Commission staff will have sign-up sheets, and customers will be called to speak in the order that they sign up. Staff will be available to coordinate customers' comments and to assist members of the public.

Any person who wishes to comment or provide information to staff may do so at the meetings, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Commission's toll-free facsimile line at 1-800-511-0809.

#### BACKGROUND

Brevard Waterworks, Inc. (Brevard Waterworks or Utility) is a Class C utility providing water service to approximately 236 residential customers and 1 general service customer in Brevard County. Effective June 5, 2014, Brevard Waterworks was granted Certificate No. 002-W.<sup>1</sup> The water systems, which were formally owned by Aqua Utilities Florida, Inc. (Aqua), serve two small subdivisions known as Kingswood and Oakwood. The Utility purchases bulk water from Brevard County. According to Brevard Waterworks' 2013 annual report, total gross revenues were \$91,613 and total operating expenses were \$99,350, resulting in a net loss of \$7,737.

On September 29, 2014, Brevard Waterworks filed its application for a staff-assisted rate case. In its application, the Utility requested a test year ended August 31, 2014, for purposes of interim and final rates. Interim rates were approved on November 25, 2014.<sup>2</sup> The Commission has jurisdiction to consider this rate case pursuant to Section 367.0814, Florida Statutes (F.S.).

### CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following recommended rates for the purpose of discussion at the customer meeting. These rates are preliminary and subject to change based on information gathered at the customer meeting, further staff review, and the final decision by the Commission. The Utility's current and staff's recommended preliminary rates are as follows:

<sup>&</sup>lt;sup>1</sup> <u>See</u> Order No. PSC-14-0326-PAA-WS, issued June 25, 2014, in Docket No. 130174-WU, <u>In re: Application for approval of transfer of certain water facilities and Certificate No. 002-W of Aqua Utilities Florida, Inc. to Brevard Waterworks, Inc. in Brevard County.</u>

<sup>&</sup>lt;sup>2</sup> <u>See</u> Order No. PSC-14-0683-PCO-WU, issued December 10, 2014, in Docket No. 140186-WU, <u>In re: Application</u> for staff-assisted rate case in Brevard County by Brevard Waterworks, Inc.

MONTHLY WATER RATES			
	RATES AT TIME OF FILING	COMMISSION APPROVED INTERIM RATES	STAFF PRELIMINARY RECOMMENDED RATES
Residential, Irrigation and General Service	7.72		
Base Facility Charge by Meter Size			
5/8" x 3/4"	\$20.69	\$22.86	\$21.48
3/4"	\$31.04	\$34.30	\$32.22
1"	\$51.74	\$57.18	\$53.70
1-1/2"	\$103.47	\$114.34	\$107.40
2"	\$165.56	\$182.96	\$171.84
3"	\$331.14	\$365.94	\$343.68
4"	\$517.40	\$571.78	\$537.00
6"	\$1,034.80	\$1,143.56	\$1,074.00
8"	\$1,655.68	\$1,829.69	\$1,718.40
10"	\$2,380.03	\$2,630.17	\$2,470.20
Charge per 1,000 gallons - Residential and Irrigation			
0 - 6,000 gallons	\$7.07	\$7.81	N/A
6,001 - 12,000 gallons	\$10.62	\$11.74	N/A
Over 12,000 gallons	\$14.14	\$15.63	N/A
0 - 4,000 gallons	N/A	N/A	\$10.79
Over 4,000 gallons	N/A	N/A	\$16.19
Charge per 1,000 gallons - General Service	\$7.93	\$8.76	\$11.75
Private Fire Protection Service			
2"	\$13.80	\$15.25	\$14.32
3"	\$27.59	\$30.50	\$28.64
4"	\$43.12	\$47.65	\$44.75
6"	\$86.24	\$95.30	\$89.50
8"	\$137.98	\$152.47	\$143.20
10"	\$198.33	\$219.18	\$205.85
Typical Residential 5/8" x 3/4" Meter Bill Comparison			
4,000 Gallons	\$48.97	\$54.10	\$64.64
6,000 Gallons	\$63.11	\$69.72	\$97.02
10,000 Gallons	\$105.59	\$116.68	\$161.78

# STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated March 10, 2015. Copies of the report may be examined by interested members of the public on Mondays from 10:00 a.m. - 6:00 p.m., Wednesdays and Fridays from 9:00 a.m. - 5:00 p.m., and Thursdays from 12:00 p.m. - 8:00 p.m. at the following location:

Mims Scottsmoor Public Library 3615 Lionel Road Mims, Florida 32754

## PROCEDURES AFTER CUSTOMER MEETING

After the customer meeting, Commission staff will prepare a recommendation which is tentatively scheduled to be submitted to the Commission on July 9, 2015. The Commission will then vote on staff's recommendation at its July 21, 2015 Commission Conference. 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 are able to obtain a copy of staff's recommendation and all documents filed in this docket from the Commission's website.

# **HOW TO CONTACT THE COMMISSION**

Any person who wishes to comment or provide information to Commission staff may do so at the meetings, either orally or in writing. Other written comments regarding the Utility and the proposed rates, or requests to be placed on the mailing list for this case, may be directed to this address:

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

All correspondence should refer to "Docket No. 140186-WU, Brevard Waterworks, Inc." Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Florida Public Service Commission's email at <a href="mailto:clerk@psc.state.fl.us">clerk@psc.state.fl.us</a>, or the Commission's website available at <a href="http://floridapsc.com/about/contact/form.aspx">http://floridapsc.com/about/contact/form.aspx</a>.

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