

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

September 4, 2025

FILED 9/4/2025
DOCUMENT NO. 09072-2025
FPSC - COMMISSION CLERK

Item 7

Docket No. 20240168-WU – Application for staff-assisted rate case in Highlands County, by Country Walk Utilities, Inc.

Issue 1: Is the quality of service provided by Country Walk Utilities, Inc. satisfactory?

Recommendation: Yes. Country Walk has been responsive to customer complaints and the quality of the product is in compliance with the Department of Environmental Protection (DEP) standards; therefore, staff recommends that the quality of service be considered satisfactory.

APPROVED

Issue 2: Is the infrastructure and operating conditions of Country Walk Utilities, Inc. in compliance with DEP regulations?

Recommendation: Yes. The Country Walk water system is currently in compliance with the DEP.

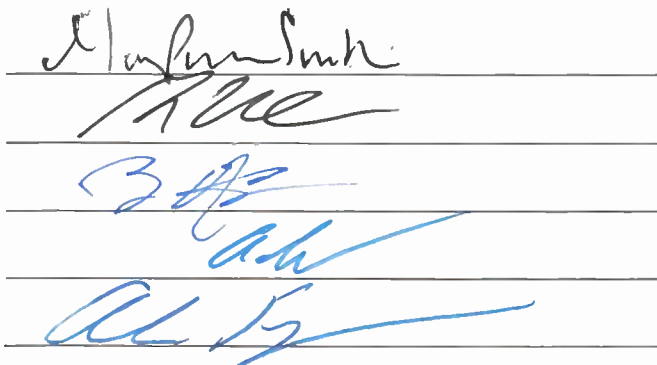
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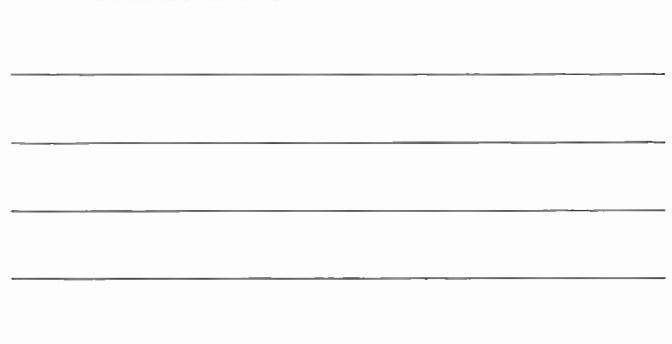
COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING





REMARKS/DISSENTING COMMENTS:

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Issue 3: What are the used and useful percentages (U&U) of Country Walk Utilities, Inc. water treatment plant (WTP) and water distribution system?

Recommendation: Country Walk's WTP, storage, and water distribution system should be considered 100 percent U&U. No adjustment is recommended for excessive unaccounted for water (EUW).

APPROVED

Issue 4: What is the appropriate average test year rate base for Country Walk Utilities, Inc.?

Recommendation: The appropriate average test year rate base for Country Walk Utilities, Inc. is \$138,362.

APPROVED

Issue 5: What is the appropriate return on equity and overall rate of return for Country Walk Utilities, Inc.?

Recommendation: The appropriate return on equity (ROE) is 8.51 percent with a range of 7.51 percent to 9.51 percent. The appropriate overall rate of return is 8.43 percent.

APPROVED

Issue 6: What are the appropriate test year operating revenues for the water system of Country Walk Utilities, Inc.?

Recommendation: The appropriate test year operating revenues for Country Walk's water system are \$63,962.

APPROVED

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Issue 7: What is the appropriate amount of operating expenses for Country Walk Utilities, Inc.?

Recommendation: The appropriate amount of operating expense for Country Walk is \$55,599.

APPROVED

Issue 8: Does Country Walk Utilities, Inc. meet the criteria for application of the operating ratio methodology?

Recommendation: No, Country Walk does not meet the requirement for application of the operating ratio methodology for calculating the revenue requirement.

APPROVED

Issue 9: What is the appropriate revenue requirement for Country Walk Utilities, Inc.?

Recommendation: The appropriate revenue requirement is \$67,265, resulting in an annual increase of \$3,303.

APPROVED

Issue 10: What are the appropriate rate structure and rates for Country Walk Utilities, Inc.?

Recommendation: The recommended rate structure and monthly water rates are shown on Schedule No. 4 of staff's memorandum dated August 22, 2025. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given by affidavit within 10 days of the date of the notice.

APPROVED

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Issue 11: What are the appropriate initial customer deposits for Country Walk Utilities, Inc.?

Recommendation: The appropriate initial customer deposit should be \$153 for the 5/8 inch x 3/4 inch meter size. The initial customer deposit for all other residential meter sizes and all general service meter sizes should be two times the average estimated bill for water. The approved initial customer deposits should be effective for connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to collect the approved deposits until authorized to change them by the Commission in a subsequent proceeding.

APPROVED

Issue 12: What are the appropriate miscellaneous service charges for Country Walk Utilities, Inc.?

Recommendation: Staff recommends that the initial connection and normal reconnection charges be removed, and the definition for the premises visit charge be updated to comply with Rule 25-30.460, F.A.C. The approved charge should be effective on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(2), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date notice was given by affidavit no less than 10 days after the date of notice.

APPROVED

Issue 13: What is the appropriate amount by which rates should be reduced four years after the published effective date to reflect the removal of the amortized rate case expense?

Recommendation: The rates should be reduced as shown on Schedule No. 4 of staff's memorandum dated August 22, 2025, to remove rate case expense grossed-up for RAFs and amortized over a four-year period. Pursuant to Section 367.081(8), F.S., the decrease in rates should become effective immediately following the expiration of the rate case expense recovery period. Country Walk should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and rationale no later than one month prior to the effective date of the new rates. If the Utility files revised tariffs reflecting this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase and the reduction in the rates due to the amortized rate case expense.

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Issue 14: Should the recommended rates be approved for Country Walk Utilities, Inc. on a temporary basis, subject to refund with interest, in the event of a protest filed by a party other than the Utility?

Recommendation: Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the Utility on a temporary basis, subject to refund with interest, in the event of a protest filed by a party other than the Utility. Country Walk should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates should not be implemented until staff has approved the proposed notice, and the notice has been received by the customers. Prior to implementation of any temporary rates, the Utility should provide appropriate financial security.

If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed in the staff analysis portion of staff's memorandum dated August 22, 2025. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission's Office of Commission Clerk no later than the 20th of each month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

APPROVED

Issue 15: Should Country Walk Utilities, Inc. be required to notify the Commission within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable NARUC USOA primary accounts?

Recommendation: Yes. Country Walk should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision. The Utility should submit a letter within 90 days of the Commission's final order in this docket, confirming that the adjustments to all applicable NARUC USOA primary accounts have been made to the Utility's books and records. In the event the Utility needs additional time to complete the adjustments, a notice providing good cause should be filed not less than seven days prior to the deadline requesting an extension. Upon providing a notice of good cause, staff should be given administrative authority to grant an extension of up to 60 days.

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Issue 16: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the proposed agency action order, a consummating order should be issued. The docket should remain open for staff's verification that the revised tariff sheets and customer notice have been filed by the Utility and approved by staff. Once these actions are complete, this docket should be closed administratively.

APPROVED