

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of  
UTILITIES, INC. OF FLORIDA  
for an increase in water and wastewater  
rates in Marion, Orange, Pasco, Pinellas,  
and Seminole Counties, Florida

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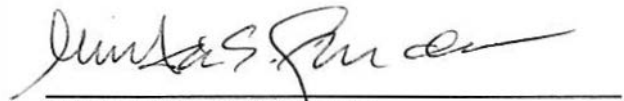
DOCKET NO. 120209-WS

NOTICE OF FILING

Applicant, UTILITIES, INC. OF FLORIDA, by and through its undersigned counsel, hereby gives notice of filing in the above-referenced docket, the Affidavit of Mailing evidencing that the combined Initial Customer Notice and Notice of Interim Rate Increase, has been mailed to the customers of Utilities, Inc. of Florida in the Trailwoods subdivision in Seminole County and the Buena Vista and Wis Bar subdivisions in Pasco County..

Respectfully submitted this 15th day of  
July, 2013, by:

Sundstrom, Friedman & Fumero, LLP  
766 North Sun Drive, Suite 4030  
Lake Mary, FL 32746  
Phone: (407) 830-6331  
Fax: (407) 830-8522  
[mfriedman@sfflaw.com](mailto:mfriedman@sfflaw.com)



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MARTIN S. FRIEDMAN  
Florida Bar No.: 0199060  
For the Firm

AFFIDAVIT OF MAILING

STATE OF ILLINOIS

COUNTY OF COOK

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Adrienne R. Krugler, who, after being duly sworn on oath, did depose on oath and say that she is the Billing Manager of Utilities, Inc., the sole shareholder of Utilities Inc. of Florida ("Utility"), and that on July 5, 2013, she did send by regular U.S. Mail, a copy of the Combined Initial Customer and Interim Rate Notice, attached hereto, to the customers of the Trailwoods subdivision in Seminole County, which due to a glitch were not included in the initial mailings on June 28, 2013.

FURTHER AFFIANT SAYETH NAUGHT.

*Adrienne R. Krugler*

Print Name: Adrienne R. Krugler  
Print Title: Billing Manager

Sworn to and subscribed before me this 10 day of July, 2013, by \_\_\_\_\_, who is personally known to me or has produced \_\_\_\_\_ as identification.

*Antoinette Federico*

Print Name: Antoinette Federico  
NOTARY PUBLIC  
My Commission Expires: - 5-4-2015





Dear Utilities, Inc. of Florida Customer,

We want to make you aware of a request that we filed with the Florida Public Service Commission (PSC) and provide some background regarding our request. As a public utility, we have an obligation to continue to deliver clean, reliable water and wastewater service at the lowest reasonable cost, and we are asking the PSC to allow us to cover our current operating costs and earn a reasonable return on our investment.

Your existing rates are based on costs and capital expenditures through 2011. Since that time, we continue to make investments that affect the quality and reliability of your water and wastewater service. The following is a list of some significant expenditures undertaken and cost increases incurred since our last rate increase that improve the delivery of water and wastewater services to you:

- Interconnected to City of Sanford water system
- Water main replacements in Park Ridge, Ravenna, Bear Lake, Oakland Shores, Phillips, Crystal Lake and Little Wekiva
- Electrical improvements for the water treatment plants

In total, we spent almost \$2,000,000 in investments to utility plant in service in the UIF service area to insure that we continue to deliver the highest quality product and service to you.

We understand that there is never a good time for a rate increase. The rates we requested of the PSC are based on the actual costs of providing water and wastewater service. Together we share the goal of a safe, dependable supply of safe drinking water at the lowest possible price and consistent with prudent business practices.

Importantly, under the proposed new rates, if approved, a ***gallon of treated water delivered to your faucet would cost a little less than \$0.01*** and the average monthly water residential bill would equal around \$36. In addition, the disposal and treatment of a ***gallon of wastewater would cost approximately \$0.01*** and the average monthly wastewater bill would equal about \$57.

We welcome any feedback from our customers, whether it is about our proposed rates or about our services. You can contact us at (800) 272-1919.

Best regards,  
Patrick Flynn, Regional Director

BEFORE THE PUBLIC SERVICE COMMISSION

**INITIAL CUSTOMER NOTICE  
AND  
NOTICE OF INTERIM RATE INCREASE**

TO THE SEMINOLE COUNTY CUSTOMERS OF  
UTILITIES, INC. OF FLORIDA  
AND  
ALL OTHER INTERESTED PERSONS

RE: DOCKET NO.: 120209-WS

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES IN MARION,  
ORANGE, PASCO, PINELLAS AND SEMINOLE COUNTIES, FLORIDA  
BY UTILITIES, INC. OF FLORIDA

DATED: July 5, 2013

**BACKGROUND**

On March 29, 2013, the Utility filed an application with the Florida Public Service Commission ("Commission") for increased water and wastewater rates, fees and charges for its customers in Orange, Pasco, Pinellas and Seminole Counties, Florida. The application was assigned Docket No. 120209-WS and May 29, 2013, was established as the official date of filing.

The Utility is requesting a rate increase because the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and a fair return on the Utility's investment in used and useful property for the public use. The rate of return on equity requested in this proceeding is 10.36%. The overall return requested (the weighted cost of debt and equity) is 7.76%. According to the Utility's books, Utilities, Inc. of Florida states that its current overall rate of return without a rate increase is 4.05% for the water system and 3.76% for the wastewater system. The Utility has requested a permanent revenue increase of \$294,501 or 33.7% for its water system and \$214,360 or 26.26% for its wastewater system. The requested increase would produce annual revenues of \$1,168,514 for its water system and \$1,030,621 for its wastewater system.

The Company's last rate proceeding and review of rate base was in Docket No. 090462-WS, utilizing a test year ending December 31, 2008, which culminated in Order No. PSC-10-0585-PAA-WS, issued September 22, 2010.

The Utility has incurred substantial additional operating costs and capital investment. Copies of the MFRs, the Rate Case Synopsis, and the Utility's application will be available for inspection at the following locations:

Utilities, Inc. of Florida  
200 Weathersfield Avenue  
Altamonte Springs, FL 32714

**Hours:**  
Monday through Friday  
8:00 a.m. to 4:30 p.m.

**NOTICE OF INTERIM RATE INCREASE AND  
CURRENT AND PROPOSED RATES AND CHARGES**

On June 25, 2013, the Florida Public Service Commission approved interim water rates for Utilities, Inc. of Florida customers in Seminole County. The interim rates will be effective July 3, 2013. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will include interest based upon Commission determined factors.

The current rates, the Utility's requested interim rates, the Utility's requested final rates and the Commission approved interim rates are set forth below. The final rates are subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners.

**WATER SERVICE - SEMINOLE COUNTY**

<b><u>Residential and General Service</u></b>	<b><u>Rates Prior to Filing</u></b>	<b><u>Utility's Requested Interim Rates</u></b>	<b><u>Utility's Requested Final Rates</u></b>	<b><u>Commission Approved Interim</u></b>
<b><u>Base Facility Charge:</u></b> <b><u>Meter Size</u></b>				
5/8" x 3/4"	\$7.23	\$8.15	\$9.72	\$7.59
1"	\$18.08	\$20.39	\$24.30	\$18.98
1 1/2"	\$36.17	\$40.79	\$48.61	\$37.96
2"	\$57.86	\$65.25	\$77.75	\$60.74
3"	\$115.72	\$130.50	\$155.50	\$121.47
4"	\$180.83	\$203.92	\$243.00	\$189.81
6"	\$361.64	\$407.83	\$485.97	\$379.61
<b><u>Consumption Charges</u></b> <b><u>(per 1,000 gallons)</u></b>				
<b><u>Residential</u></b>				
0-6,000	\$2.77	\$3.12	\$3.72	\$2.91
6,0001-8,000	\$3.12	\$3.52	\$4.19	\$3.28
8,001-16,000	\$5.37	\$6.06	\$7.22	\$5.64
Over 16,000	\$6.92	\$7.80	\$9.30	\$7.27
<b><u>General Service</u></b>	\$3.50	\$3.95	\$4.70	\$3.67

**WASTEWATER SERVICE - SEMINOLE COUNTY**

<b><u>Residential</u></b>	<b><u>Rates Prior to Filing</u></b>	<b><u>Utility's Requested Interim Rates</u></b>	<b><u>Utility's Requested Final Rates</u></b>	<b><u>Commission Approved Interim</u></b>
<u>Base Facility Charge:</u>				
<u>Meter Size</u>				
All meter sizes	\$12.63	\$14.38	\$15.95	\$12.84
Consumption Charge (per 1,000 gallons) (Maximum 10,000 gallons)	\$7.06	\$8.04	\$8.92	\$7.17
Residential Flat Rate (Unmetered)	\$42.79	\$48.71	\$54.04	\$43.50
<b><u>General Service</u></b>	<b><u>Rates Prior to Filing</u></b>	<b><u>Utility's Requested Interim Rates</u></b>	<b><u>Utility's Requested Final Rates</u></b>	
<u>Base Facility Charge:</u>				
<u>Meter Size</u>				
5/8" x 3/4"	\$12.63	\$14.38	\$15.95	\$12.84
1"	\$31.60	\$35.97	\$39.91	\$32.12
1 1/2"	\$63.17	\$71.91	\$79.78	\$64.22
2"	\$101.08	\$115.07	\$127.65	\$102.75
3"	\$202.16	\$230.14	\$255.31	\$205.49
4"	\$315.87	\$359.59	\$398.91	\$321.08
6"	\$631.74	\$719.17	\$797.82	\$642.16
Consumption Charge (per 1,000 gallons)	\$8.46	\$9.63	\$10.68	\$8.60

**SERVICE AVAILABILITY CHARGES**

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

**RATE CASE SCHEDULE**

In addition to the customer meeting notice described above, other important dates in the rate application are as follows:

<b><u>Schedule Item</u></b>	<b><u>Due Dates</u></b>
Agenda Conference on Interim Rates	June 25, 2013
Order on Interim Rates	July 15, 2013
Customer Meeting	August 8, 2013
Staff's Proposed Agency Action ("PAA") Recommendation	November 1, 2013
Agenda Conference on PAA Rates	November 14, 2013

**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:

Florida Public Service Commission  
Director, Division of Commission Clerk and Administrative Services  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0870

A courtesy copy of written comments and complaints may be mailed to the following:

Martin S. Friedman, Esquire  
Sundstrom, Friedman & Fumero, LLP  
766 North Sun Drive, Suite 4030  
Lake Mary, Florida 32746



All correspondence should refer to "Docket No. 120209-WS, Utilities, Inc. of Florida". Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Florida Public Service Commission's toll-free facsimile line at 1-800-511-0809, or the Commission's website available at <http://floridapsc.com/consumers/complaint/index.cfm>.

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

This notice was prepared by the Utility and approved by Commission Staff for distribution by the Utility to its customers.

If you have any questions, please call the Utility's office at (800) 272-1919.

Utilities, Inc. of Florida

AFFIDAVIT OF MAILING

STATE OF ILLINOIS

COUNTY OF COOK

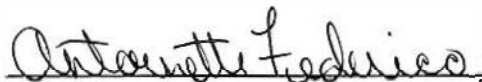
Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Adrienne R. Krugler, who, after being duly sworn on oath, did depose on oath and say that she is the Billing Manager of Utilities, Inc., the sole shareholder of Utilities Inc. of Florida ("Utility"), and that on July 5, 2013, she did send by regular U.S. Mail, a copy of the Combined Initial Customer and Interim Rate Notice, attached hereto, to the customers of the Buena Vista and Wis Bar subdivisions in Pasco County, which due to a glitch were not included in the initial mailings on June 28, 2013.

FURTHER AFFIANT SAYETH NAUGHT.



Print Name: Adrienne R. Krugler  
Print Title: Billing Manager

Sworn to and subscribed before me this 10 day of July, 2013, by \_\_\_\_\_,  
who is personally known to me or has produced \_\_\_\_\_ as identification.



Print Name: Antoinette Federico

NOTARY PUBLIC

My Commission Expires: - 5-4-2015





Dear Utilities, Inc. of Florida Customer,

We want to make you aware of a request that we filed with the Florida Public Service Commission (PSC) and provide some background regarding our request. As a public utility, we have an obligation to continue to deliver clean, reliable water and wastewater service at the lowest reasonable cost, and we are asking the PSC to allow us to cover our current operating costs and earn a reasonable return on our investment.

Your existing rates are based on costs and capital expenditures through 2011. Since that time, we continue to make investments that affect the quality and reliability of your water and wastewater service. The following is a list of some significant expenditures undertaken and cost increases incurred since our last rate increase that improve the delivery of water and wastewater services to you:

- Water main replacements in Buena Vista
- Hydro tank replacement
- Electrical improvements and generator for the water treatment plants

In total, we spent almost \$2,000,000 in investments to utility plant in service in the UIF service area to insure that we continue to deliver the highest quality product and service to you.

We understand that there is never a good time for a rate increase. The rates we requested of the PSC are based on the actual costs of providing water and wastewater service. Together we share the goal of a safe, dependable supply of safe drinking water at the lowest possible price and consistent with prudent business practices.

Importantly, under the proposed new rates, if approved, a ***gallon of treated water delivered to your faucet would cost around \$0.01*** and the average monthly water residential bill would equal around \$30. In addition, the disposal and treatment of a ***gallon of wastewater would cost approximately \$0.02*** and the average monthly wastewater bill would equal about \$38.

We welcome any feedback from our customers, whether it is about our proposed rates or about our services. You can contact us at (800) 272-1919.

Best regards,  
Patrick Flynn, Regional Director

BEFORE THE PUBLIC SERVICE COMMISSION

**INITIAL CUSTOMER NOTICE  
AND  
NOTICE OF INTERIM RATE INCREASE**

TO THE PASCO COUNTY CUSTOMERS OF  
UTILITIES, INC. OF FLORIDA  
AND  
ALL OTHER INTERESTED PERSONS

RE: DOCKET NO.: 120209-WS

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES IN MARION,  
ORANGE, PASCO, PINELLAS AND SEMINOLE COUNTIES, FLORIDA  
BY UTILITIES, INC. OF FLORIDA

DATED: July 5, 2013

**BACKGROUND**

On March 29, 2013, the Utility filed an application with the Florida Public Service Commission ("Commission") for increased water and wastewater rates, fees and charges for its customers in Orange, Pasco, Pinellas and Seminole Counties, Florida. The application was assigned Docket No. 120209-WS and May 29, 2013, was established as the official date of filing.

The Utility is requesting a rate increase because the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and a fair return on the Utility's investment in used and useful property for the public use. The rate of return on equity requested in this proceeding is 10.36%. The overall return requested (the weighted cost of debt and equity) is 7.63%. According to the Utility's books, Utilities, Inc. of Florida states that its current overall rate of return without a rate increase is 3.46% for the water system and 7.19% for the wastewater system. The Utility has requested a permanent revenue increase of \$327,912 or 36.28% for its water system and \$44,343 or 8.43% for its wastewater system. The requested increase would produce annual revenues of \$1,231,671 for its water system and \$570,388 for its wastewater system.

The Company's last rate proceeding and review of rate base was in Docket No. 090462-WS, utilizing a test year ending December 31, 2008, which culminated in Order No. PSC-10-0585-PAA-WS, issued September 22, 2010.

The Utility has incurred substantial additional operating costs and capital investment. Copies of the MFRs, the Rate Case Synopsis, and the Utility's application will be available for inspection at the following locations:

Regency Park Branch Library  
9701 Little Road  
New Port Richey, FL 34654

**Hours:**  
Tuesday 10:00 a.m. to 9:00 p.m.  
Wednesday 11:00 a.m. to 6:00 p.m.  
Thursday 11:00 a.m. to 8:00 p.m.  
Friday 11:00 a.m. to 5:00p.m.  
Saturday, 11:00 a.m. to 4:00 p.m.  
Sunday & Monday - Closed

**NOTICE OF INTERIM RATE INCREASE AND  
CURRENT AND PROPOSED RATES AND CHARGES**

On June 25, 2013, the Florida Public Service Commission approved interim water rates for Utilities, Inc. of Florida customers in Pasco County. The interim rates will be effective July 3, 2013. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will include interest based upon Commission determined factors.

The current rates, the Utility's requested interim rates, the Utility's requested final rates and the Commission approved interim rates are set forth below. The final rates are subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners.

**WATER SERVICE - PASCO COUNTY**

<b><u>Residential and General Service</u></b>	<b><u>Rates Prior to Filing</u></b>	<b><u>Utility's Requested Interim Rates</u></b>	<b><u>Utility's Requested Final Rates</u></b>	<b><u>Commission Approved Interim</u></b>
<u>Base Facility Charge:</u>				
<u>Meter Size</u>				
5/8" x 3/4"	\$12.35	\$14.77	\$16.89	\$12.99
3/4"	\$18.54	\$22.18	\$25.36	\$19.50
1"	\$30.89	\$36.95	\$42.25	\$32.50
1 1/2"	\$61.76	\$73.88	\$84.48	\$64.97
2"	\$98.82	\$118.22	\$135.17	\$103.96
3"	\$197.63	\$236.42	\$270.32	\$207.91
4"	\$308.80	\$369.41	\$422.38	\$324.86
6"	\$617.61	\$738.84	\$844.77	\$649.73
<u>Consumption Charge (per 1,000 gallons)</u>				
<u>Residential</u>				
0-3,000 gallons	\$3.71	\$4.44	\$5.07	\$3.90
Over 3,000 gallons	\$4.02	\$4.81	\$5.50	\$4.23
<u>General Service</u>	\$3.78	\$4.52	\$5.17	\$3.98

**WASTEWATER SERVICE - PASCO COUNTY**

<b><u>Residential</u></b> All areas except Buena Vista Manor, Oak Hill Developments and those areas formerly served by Bartelt Enterprises, Inc., d/b/a Wis-Bar Utilities	<b><u>Rates Prior to Filing</u></b>	<b><u>Utility's Requested Interim Rates</u></b>	<b><u>Utility's Requested Final Rates</u></b>	<b><u>Commission Approved Interim</u></b>
<u>Base Facility Charge:</u>				
<u>Meter Size</u>				
All meter sizes	\$14.49	N/A	\$15.71	N/A
Consumption Charge (per 1,000 gallons) (Maximum 6,000 gallons)	\$12.31	N/A	\$13.35	
<b><u>Residential</u></b> Buena Vista Manor, Oak Hill Developments and those areas formerly served by Bartelt Enterprises, Inc., d/b/a Wis-Bar Utilities	<b><u>Rates Prior to Filing</u></b>	<b><u>Utility's requested Interim Rates</u></b>	<b><u>Utility's Requested Final Rates</u></b>	<b><u>Commission Approved Interim</u></b>
<u>Base Facility Charge:</u>				
<u>Meter Size</u>				
All meter sizes	\$11.16	N/A	\$12.10	N/A
Consumption Charge (per 1,000 gallons) (Maximum 6,000 gallons)	\$8.29	N/A	\$8.99	N/A

<u>General Service</u>	<u>Rates Prior to Filing</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim</u>
<u>Base Facility Charge:</u> <u>Meter Size</u>				
5/8" x 3/4"	\$14.49	N/A	\$15.71	N/A
3/4"	\$21.74	N/A	\$23.58	N/A
1"	\$36.23	N/A	\$39.29	N/A
1 1/2"	\$72.45	N/A	\$78.57	N/A
2"	\$115.92	N/A	\$125.72	N/A
3"	\$231.82	N/A	\$251.41	N/A
4"	\$362.23	N/A	\$392.84	N/A
6"	\$724.47	N/A	\$785.69	N/A
Consumption Charge (per 1,000 gallons)	\$16.34	N/A	\$17.72	N/A
<b><u>Multi-Residential</u></b> <b><u>Buena Vista Manor, Oak Hill Developments and those areas formerly served by Bartelt Enterprises, Inc., d/b/a Wis-Bar Utilities</u></b>	<b><u>Rates Prior to Filing</u></b>	<b><u>Utility's Requested Interim Rates</u></b>	<b><u>Utility's Requested Final Rates</u></b>	<b><u>Commission Approved Interim</u></b>
Flat Rate	\$27.91	N/A	\$30.27	N/A
<u>Base Facility Charge:</u> <u>Meter Size</u>				
5/8"	\$27.40	N/A	\$29.72	N/A
1"	\$27.89	N/A	\$30.25	N/A
Consumption Charge (per 1,000 gallons)	\$16.58	N/A	\$17.98	N/A



## SERVICE AVAILABILITY CHARGES

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

## RATE CASE SCHEDULE

In addition to the customer meeting notice described above, other important dates in the rate application are as follows:

<u>Schedule Item</u>	<u>Due Dates</u>
Agenda Conference on Interim Rates	June 25, 2013
Order on Interim Rates	July 15, 2013
Customer Meeting	August 7, 2013
Staff's Proposed Agency Action ("PAA") Recommendation	November 1, 2013
Agenda Conference on PAA Rates	November 14, 2013

## 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:

Florida Public Service Commission  
Director, Division of Commission Clerk and Administrative Services  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0870

A courtesy copy of written comments and complaints may be mailed to the following:

Martin S. Friedman, Esquire  
Sundstrom, Friedman & Fumero, LLP  
766 North Sun Drive, Suite 4030  
Lake Mary, Florida 32746

All correspondence should refer to "Docket No. 120209-WS, Utilities, Inc. of Florida". Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Florida Public Service Commission's toll-free facsimile line at 1-800-511-0809, or the Commission's website available at <http://floridapsc.com/consumers/complaint/index.cfm>.

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

This notice was prepared by the Utility and approved by Commission Staff for distribution by the Utility to its customers.

If you have any questions, please call the Utility's office at (800) 272-1919.

Utilities, Inc. of Florida