

STATE OF FLORIDA

COMMISSIONERS:
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DIVISION OF
ACCOUNTING AND FINANCE
ANDREW L. MAUREY
DIRECTOR
(850) 413-6900

Public Service Commission

August 31, 2022

Mr. Martin S. Friedman
Dean Mead Law Firm
420 S. Orange Ave. Ste. 700
Orlando, FL 32801
mfriedman@deanmead.com

VIA EMAIL

Re: Docket No. 20220033-WS - Application for staff-assisted rate case in Polk County by CHC VII, Ltd.

Dear Mr. Friedman:

This letter is to confirm that Commission staff will hold a **virtual** customer meeting on Wednesday, September 28, 2022, at 3:00 p.m. We ask that, if at all possible, you or another knowledgeable representative of the utility attend the meeting by phone in order to make a brief statement regarding the reason for your rate increase request. Attached is the customer meeting agenda.

As required by Rule 25-22.0407(8)(b), Florida Administrative Code, the utility must provide, in writing, a customer meeting notice to all customers within its service area no less than 14 days and no more than 30 days prior to the date of a customer meeting. Please find enclosed a draft Notice of Customer Meeting. 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, along with a cover letter indicating the exact date 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 by phone at (850) 413-6742 or email at crichard@psc.state.fl.us.

Respectfully,

A handwritten signature in blue ink, appearing to read "Christopher R. Richards".

Christopher R. Richards
Public Utilities Analyst III

Attachments

cc: Richard Gentry, Office of Public Counsel (gentry.richard@leg.state.fl.us)
Office of Commission Clerk (Docket No. 20220033-WS)

FLORIDA PUBLIC SERVICE COMMISSION

CUSTOMER MEETING

CHC VII, LTD.

DOCKET NO. 20220033-WS

SEPTEMBER 28, 2022, at 3:00 P.M.

AGENDA

1. Call Meeting to Order
2. Utility Introduction
3. Office of Public Counsel Introduction
4. Staff Presentation
5. Customer Comments (Please note: the order in which customers speak at the customer meeting is based upon the order in which they sign up.)
6. Next Steps
7. Adjourn

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF CHC VII, LTD.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 20220033-WS

APPLICATION OF CHC VII, LTD.

FOR A STAFF-ASSISTED RATE CASE IN

POLK COUNTY

Date Issued: _____

NOTICE is hereby given that the staff of the Florida Public Service Commission (Commission) will conduct a customer meeting to discuss CHC VII, Ltd.'s (CHC or Utility) application for a staff-assisted rate case (SARC) in Polk County. The meeting will be held virtually on the following date and time:

Wednesday, September 28, 2022, at 3:00 P.M.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate at this meeting should contact the Office of Commission Clerk no later than five days prior to the meeting at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850 or (850) 413-6770 (Florida Relay Service, 1-800-955-8770 Voice or 1-800-955-8771 TDD).

PURPOSE AND PROCEDURE

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 and on the preliminary rates included in this notice. Customers and other interested persons may be asked follow-up questions. These comments will be taken into consideration by the Commission in its decision regarding the proposed rate increase.

This customer meeting will be conducted virtually. The Commission shall act as the host of the customer meeting and will use a combination of technologies to ensure full participation. The Commission will employ GoToMeeting as an audio and video platform for the meeting, and will

provide for simultaneous, audio-only participation by telephone. Persons wishing to provide comments will present their comments over the telephone.

Persons wishing to comment at the customer meeting must register by contacting the Commission via email at speakersignup@psc.state.fl.us or calling (850) 413-7080. You will need to provide your name, address, and the name of the Utility (CHC). Please register as soon as possible, preferably two business days prior to the meeting. After registering to comment, either by email or phone, you will be provided further instructions on how to participate, including the call-in number. Please note: the order in which customers speak at the customer meeting is based upon the order in which they sign up. To watch the meeting live, visit www.floridapsc.com and look for the “Watch Live Broadcast” icon on the left side of the webpage. If you do not have access to the internet, you may call (850) 413-7999 to listen to the meeting.

All customers who register to present comments at the meeting are urged to call-in promptly at the scheduled meeting time, because the meeting may be adjourned early if no customers are present. One or more of the Commissioners 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 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.

BACKGROUND

CHC VII, Ltd. is a Class C water and wastewater utility currently providing service to approximately 885 water customers and 872 wastewater customers in Polk County. CHC has been in existence and charging rates since 1985. The Utility was granted Certificate Nos. 609-W and 525-S in 1999.¹

On May 29, 2019, CHC filed a request for a limited proceeding increase for its water system. In its application, CHC requested recovery of costs associated with installing automatic meter reading (AMR) water meters. The Commission approved a final revenue increase of \$23,368 (20.82 percent) for its water system.² The Utility’s wastewater rates have been unchanged since May 2014.³

¹Order No. PSC-1999-1235-PAA-WS, issued June 22, 1999, in Docket No. 19981341-WS, *In re: Application for grandfather certificates to operate water and wastewater utility in Polk County by CHC VII, Ltd.*

²Order No. PSC-2019-0493-PAA-WS, issued November 19, 2019, in Docket No. 20190121-WS, *In re: Application for limited proceeding rate increase in Polk County by CHC VII, Ltd.*

³Order No. PSC-2014-0196-PAA-WS, issued May 1, 2014, in Docket No. 20130210-WS, *In re: Application for staff-assisted rate case in Polk County by CHC VII, Ltd.*

The results of staff's preliminary investigation are contained in a staff report dated August 31, 2022. Copies of the staff report and the Utility's application for a rate increase are available for review by members of the public by visiting <http://www.floridapsc.com/ClerkOffice/Docket> and entering 20220033 in the docket number search field.

CURRENT AND PRELIMINARY RATES

Staff has compiled the following recommended rates for 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:

	<u>Utility's Current Water Rates</u>	<u>Staff's Preliminary Water Rates</u>
<u>Residential and General Service</u>		
Base Facility Charge by Meter Size		
5/8" x 3/4"	\$5.50	\$6.68
3/4"	\$8.25	\$10.02
1"	\$13.75	\$16.70
1-1/4"	\$22.00	\$26.72
1-1/2"	\$27.50	\$33.40
2"	\$44.00	\$53.44
3"	\$88.00	\$106.88
4"	\$137.50	\$167.00
6"	\$275.00	\$334.00
8"	\$440.00	\$534.40
Charge per 1,000 gallons – Residential		
0-5,000 gallons	\$1.38	N/A
Over 5,000 gallons	\$1.82	N/A
Charge per 1,000 gallons – Residential		
0-5,000 gallons	N/A	\$1.90
5,001 – 10,000 gallons	N/A	\$2.14
Over 10,000 gallons	N/A	\$3.22
Charge per 1,000 gallons – General Service	\$1.50	\$2.10
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>		
5,000 Gallons	\$12.40	\$16.18
8,000 Gallons	\$17.86	\$22.60
10,000 Gallons	\$21.50	\$26.88

	<u>Utility's Current Wastewater Rates</u>	<u>Staff's Preliminary Wastewater Rates</u>
<u>Residential</u>		
Base Facility Charge – All Meter Sizes	\$8.26	\$11.96
Charge Per 1,000 gallons 8,000 gallon cap	\$1.92	\$2.99
<u>General Service</u>		
Base Facility Charge by Meter Size		
5/8" x 3/4"	\$8.26	\$11.96
3/4"	\$12.39	\$17.94
1"	\$20.65	\$29.90
1-1/4"	\$33.04	\$47.84
1-1/2"	\$41.30	\$59.80
2"	\$66.08	\$95.68
3"	\$132.16	\$191.36
4"	\$206.50	\$299.00
6"	\$413.00	\$598.00
8"	\$660.80	\$956.80
Charge per 1,000 gallons	\$2.31	\$3.59
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>		
4,000 gallons	\$15.94	\$23.92
8,000 gallons	\$23.62	\$35.88
10,000 gallons	\$23.62	\$35.88

HOW TO PROVIDE COMMENTS TO THE COMMISSION

If you would like to share your comments with the Commission you may:

- Speak at the customer meeting on September 28, 2022, by contacting the Commission via email at speakersignup@psc.state.fl.us or calling (850) 413-7080 as indicated above.
- 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 on the next page.

Office of the Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

All correspondence should refer to: "Docket No. 20220033-WS, CHC VII, Ltd."

- Address the Commissioners during the Commission's Conference, currently scheduled for November 1, 2022. You may address the Commissioners during the Commission Conference 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 Matthew Jones at (850) 413-6212 or majones@psc.state.fl.us.

Please note that written comments are given the same consideration as if they were provided by phone during the Commission's Conference.

PROCEDURES AFTER THE CUSTOMER MEETING

Commission staff will prepare a recommendation which is tentatively scheduled to be submitted to the Commission on October 20, 2022. The Commission will then vote on staff's recommendation at its November 1, 2022, 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 are able to 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 (OPC). The OPC was established by the Florida Legislature to represent you and the other utility customers before the Commission. The OPC is independent from the Commission and can be reached at 1-800-342-0222 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: Christopher Richards at (850) 413-6742 or
crichard@psc.state.fl.us

For legal questions contact: Matthew Jones at (850) 413-6212 or
majones@psc.state.fl.us

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.

Application for staff-assisted rate case in Polk County by
CHC VII, Ltd.

DOCKET NO. 20220033-WS

Name _____

Address _____

To submit your comments about this docket to the Florida Public Service Commission, please complete this comment form and return it by mail, or fax it to 1-800-511-0809. Correspondence will be placed in the docket file.

CUSTOMER COMMENTS

Any email or other correspondence sent to a Florida Public Service Commissioner, or any other public official and/or employee of the PSC, in the transaction of public business is considered a public record and is subject to Florida's Public Records Law. This means that Florida law generally requires the PSC to provide a copy of any such email or correspondence, upon request, for inspection and copying to any Florida citizen or any member of the media.