

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** May 5, 2026  
**TO:** Adam J. Teitzman, Commission Clerk, Office of Commission Clerk  
**FROM:** Cassie Gatlin, Public Utilities Supervisor, Division of Accounting & Finance  
**RE:** Docket No. 20260000-OT Undocketed filings for 2026

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Attached are 9 letters from water and wastewater utilities concerning the Commission's jurisdiction over potential overearnings.

Please file in the docket file referenced above.

OFFICE OF  
COMMISSION CLERK  
MAY 5 2026 11:06:31

May 4, 2026

Mark Cicchetti, Director  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

RE: *Jurisdiction of Potential Overearnings -*

Dear Mr. Cicchetti:

This will follow up the email/telephone call on Tuesday, April 28<sup>th</sup> 2026 with the FPSC Staff concerning potential overearnings of A UTILITY Inc. to review and discuss current and projected earnings. As requested by Staff, this letter will serve as acknowledgement of and consent to the Commission's jurisdiction to the extent to which the following company's earned return on common equity (ROE) for the year ending December 31, 2024 and 2025 exceeds the maximum of the allowed ROE. It is the understanding that any decision regarding the disposition of any portion of such earned return above the maximum allowed ROE will be subject for disposition after the nature and extent of any such amount above the ranges are known.

This consent of jurisdiction applies to the following utility: A UTILITY Inc.

Provided below is additional information concerning these utilities for further consideration:

**Please Consider The Following**

- 1) Due to Hurricane Gert in 2023 we had trees blown down with one tree on top of a neighboring house and also another tree down on the power pole that supplied power to the well pumping station. The trees posed eminent danger to the residents in the house, one tree was sitting on top of their home and the other tree was too dangerous to even get near the service power pole. Therefore, the trees needed to be removed before the service pole could be replaced and brought back in service so we could resume power to the water pump. A Utility Inc. ran out of money to do all the cost involved so it had to borrow \$9,000.00 to accomplish all of the above listed tasks necessary to continue the responsibility of serving its customers in a timely manner.
- 2) Due to the lack of funds available A utility Inc. had to continue postponing payments owed to the management company as well as postponing salaries owed. All of which, are still past due and because A Utility Inc. still owes this money it ended up as a liability on the balance sheet and not on the Profit and Loss as an expense. I can assure you as we are able to start paying all the past due Salaries and Management Fees and move them to the expense column on the profit and loss this will definitely tip the scale on our over earning in the other direction. As we approach getting closer to paying past due Management fees and Salaries. We still need to finish paying off the final payment on the emergency \$9,000.00 loan in 2027 and again that still does not end up on the profit and loss as an expense it just shows as a reduction on liability on the Balance sheet. At that point we can start paying the past due management fees and salaries where they will start showing up on the expense column on the profit and loss that will be the turning point from over earnings potentially into under earnings.

**A UTILITES INC IS REQUESTING FOR YOUR CONTINUED SUPPORT**

A Utility Inc. Hereby wishes to and is requesting that we be allowed to continue on the path of recovery from an act of God with the natural disaster we were faced with as we have taken on the responsibility of serving the customers as our highest priority over even paying our management and salaries we are approaching and seeing the daylight at the end of the tunnel with only one more large payment due on the Emergency Loan next year we can then start paying and expensing to our management and salaries.

 Pres

Thank you Troy Fonder Pres. of  
A Utility Inc.

# CITRUS WATERWORKS, INC.

April 29, 2026

Mark Cicchetti, Director  
Division of Accounting and Finance  
Florida Public Service Commission  
Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

*Re: Jurisdiction of Potential 2025 Overearnings*


Dear Mr. Cicchetti,

This will follow up to the email from FPSC Staff received on April 28, 2026 concerning potential 2025 overearnings, to review and discuss current and projected earnings. As requested by Staff, this letter will serve as acknowledgement of and consent to the Commission's jurisdiction over the extent to which the Citrus Waterworks, Inc. (Citrus) earned return on common equity (ROE) for the year ending December 31, 2025 exceeds the maximum of the allowed ROE. It is the understanding that any decision regarding the disposition of any portion of such earned return above the maximum allowed ROE will be subject for disposition after the nature and extent of any such amount above the ranges are known.

As additional information, there are no overearnings for Citrus. The 2025 Annual Report contains a one-time refund of past regulatory assessment fees paid to Citrus County. Citrus County sent a check in the amount of \$12,004.26 in January 2025 for past RAFs paid to the county. This was for previous years when Citrus retained jurisdiction over Citrus.

For the trailing twelve month period ending March 31, 2026, Citrus is operating at a loss of (1,832.05). This one-time refund of previous years' RAFs should not be considered. This utility has historically operated at an operating loss and continues to do so. See Document No. 01788-2026 in Docket No. 20250075-WU. When this one-time refund is removed, it results in an overall rate of return of 1.23%.

Respectfully Submitted,



Troy Rendell  
Vice President  
Investor Owned Utilities  
*//For Citrus Waterworks, Inc.*

April 30, 2026

Mark Cicchetti, Director  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

RE: *Jurisdiction of Potential Overearnings -*

Dear Mr. Cicchetti:

This will follow up the telephone call on Thursday, April 30, 2026 with the FPSC Staff (Cassie Gatlin) concerning potential overearnings of Environmental Protection Systems of Pine Island, Inc (SU287) to review and discuss current and projected earnings. As requested by Staff, this letter will serve as acknowledgement of and consent to the Commission's jurisdiction over the extent to which the following company's earned return on common equity (ROE) for the year ending December 31, 2025 exceeds the maximum of the allowed ROE. It is the understanding that any decision regarding the disposition of any portion of such earned return above the maximum allowed ROE will be subject for disposition after the nature and extent of any such amount above the ranges are known.

This consent of jurisdiction applies to the following utilities:

Provided below is additional information concerning these utilities for further consideration:

Per discussion with Cassie the utility 's annual report shows overearning of \$1,011. This amount is low enough we went back and looked at year end invoices that related to the 2025 operations, but were not paid until January mainly due to the holidays. We feel these expenses belong to the operations of 2025 and therefore will accrue said expenses for the 2025 annual report. We were advised by Cassie that we can file an amended annual report that will eliminate the overearning situation. We anticipate having this report filed by May 15<sup>th</sup> to allow the commission plenty of time to clear prior to the June 30, 2026 deadline proposed for the commission to review utilities for over earnings.

The utility has several large projects slated for 2026 that will both increase expenses and have quite a bit of capitalized items. We do not anticipate having any overearnings in 2026 or years after. We believe this was a one time situation .

If you have any questions, please feel free to reach out to me via email (bsimmons@jonescoonline.com) or by phone 740-653-6900.

Thank you,

Benjamin T. Simmons, CPA  
Jones & Company LLC  
161 West Main Street  
Lancaster, OH 43130



April 29, 2026

Mark Cicchetti, Director  
Division of Accounting and Finance  
Florida Public Service Commission  
Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

*Re: Jurisdiction of Potential 2025 Overearnings*

Dear Mr. Cicchetti,

This will follow up to the email from FPSC Staff received on April 28, 2026 concerning potential 2025 overearnings, to review and discuss current and projected earnings. As requested by Staff, this letter will serve as acknowledgement of and consent to the Commission's jurisdiction over the extent to which the Florida Community Water Systems, Inc. (FCWS) earned return on common equity (ROE) for the year ending December 31, 2025 exceeds the maximum of the allowed ROE. It is the understanding that any decision regarding the disposition of any portion of such earned return above the maximum allowed ROE will be subject for disposition after the nature and extent of any such amount above the ranges are known.

As additional information, there are no overearnings for FCWS. These perceived "overearnings" are caused by large amounts of prepaid Contributions in Aid of Construction (CIAC) received from a developer from two separate special developer agreements as referenced in Order No. PSC-2025-0172-FOF-WS, issued May 29, 2025. These developer agreements were entered into on October 17, 2024. However, there were several prepaid engineering fees received from the developer in 2022 through 2024 prior to the execution of the agreements recorded in CIAC.

The recording of CIAC without the recording of offsetting Plant in Service causes a perceived reduction on the utility's rate base. As explained below, there have been numerous invoices received in 2026 for these WTP and WWTP upgrades.

There is also a true-up provision in the developer agreements for additional costs or refunds if the projects are less. At this point, FCWS anticipates that the costs will be in excess of the original amounts.

Pursuant to the terms of these approved developer agreements, the developer is paying for two phases of the wastewater treatment plant (WWTP) upgrades. To date, the developer has paid for the first phase of the WWTP in the amount of \$466,360.80.

For Plant-in-Service, the WWTP is now in service and there has been \$365,788.12 billed to FCWS for this new plant. This includes invoices received in thus far in 2026. There are additional invoices anticipated.

For the water upgrades, the owner/developer has paid for 54.95% of the necessary upgrades to the water treatment plant, while FCWS will be funding the remaining 45.05% of the upgrades. This funding may be through a loan. To date, the developer has paid \$874,696.94 for their portion of the allocated water treatment plant upgrades.

For water, this upgrade project is in process and there is a FDEP Consent Order to get these upgrades operational this year. For this project, FCWS has been billed \$679,926.78 to date. This includes several invoices received in 2026. The anticipated total cost is approximately \$1,591,662.

For the trailing twelve month basis ending in March 31, 2026, when these invoices are taken into consideration the calculated overall rate of return on equity is 9.54%. This does not take into consideration the additional costs that will be billed in 2026 on the water treatment plant upgrades or any anticipated long-term debt that may be incurred.

FCWS also offers the following concerning consolidation of the systems and merger of the corporations. On December 2, 2021, Articles of Merger were recorded with the Florida Department of State, Division of Corporations, to merge the Black Bear Waterworks, Inc., Brendenwood Waterworks, Inc., Brevard Waterworks, Inc., Harbor Waterworks, Inc., Jumper Creek Utility Company, Lake Idlewild Utility Company, Lakeside Waterworks, Inc., Pine Harbour Waterworks, Inc., Raintree Waterworks, Inc., and The Woods Utility Company (Merging Companies) into the new corporation FCWS (Surviving Company). The merger became effective on January 1, 2022, and the Merging Company's corporations were dissolved and no longer exist.

In Order No. PSC-2022-0095-FOF-WS, issued February 21, 2022, the Commission approved the merger and name change. Merrit Island wastewater system was later merged with FCWS on January 1, 2024. In Order No. PSC-2024-0060-FOF-SU, issued March 11, 2024, the Commission approved the merger and name change.

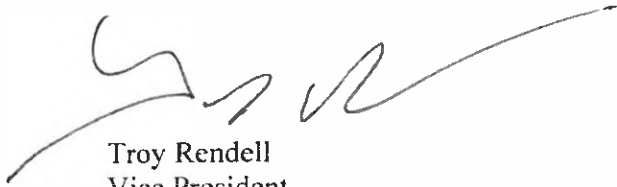
On November 14, 2021, FCWS filed an application for a revenue-neutral rate restructuring limited proceeding for the purpose of consolidating the rates of the 14 systems into uniform rates.

The Commission approved this consolidation in PSC-2023-0300-PAA-WS, issued October 2, 2023. In that order the Commission stated: "In prior dockets, we have approved rate consolidation because it encourages large utilities to acquire small utilities; recognizes economies of scale attributable to large utilities with respect to combined operations; results in cost savings associated with regulatory filings; and produces rate stability across all systems."

FCWS does not believe it is now appropriate to single out certain systems for possible overearnings, while ignoring the "underearning" systems. This has the potential of causing future revenue and rate instability.

All the consolidated funds from this consolidated corporation are used for these capital costs and increased expenses. Again, this provides revenue stability utilizing all funds from the various systems. The funds are collectively the corporation's to utilize across all water and wastewater systems. Without this consolidation of funds, the corporation would have no alternative then to come in for a file and suspend rate case causing additional rate case expense.

Sincerely,



Troy Rendell  
Vice President  
Investor Owned Utilities  
*// for Florida Community Water Systems, Inc.*

April 30, 2026

Mark Cicchetti, Director  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

RE: *Jurisdiction of Potential Overearnings* -

Dear Mr. Cicchetti:

This will follow up the email on Tuesday, April 28, 2026, with the FPSC Staff concerning potential over-earnings of Keen Sales, Rentals & Utilities, Inc. to review and discuss current and projected earnings. As requested by Staff, this letter will serve as acknowledgment of and consent to the Commission's jurisdiction over the extent to which the following company's earned return on common equity (ROE) for the year ending December 31, 2025, exceeds the maximum of the allowed ROE. It is the understanding that any decision regarding the disposition of any portion of such earned return above the maximum allowed ROE will be subject for disposition after the nature and extent of any such amount above the ranges are known.

This consent of jurisdiction applies to the following utilities:

Keen Sales, Rentals & Utilities Inc. - Keen Subdivision WU771-25-AR

Additional information concerning these utilities for further consideration will be forthcoming.



Melinda Keen  
President

April 30, 2026

Mark Cicchetti, Director  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

RE: *Jurisdiction of Potential Overearnings* -

Dear Mr. Cicchetti:

This will follow up the email/telephone call on Wednesday, April 29, 2026, with the FPSC Staff concerning potential overearnings of LIFE – The Harbor LLC, to review and discuss current and projected earnings. As requested by Staff, this letter will serve as acknowledgement of and consent to the Commission's jurisdiction over the extent to which the following company's earned return on common equity (ROE) for the year ending December 31, 2025, exceeds the maximum of the allowed ROE. It is the understanding that any decision regarding the disposition of any portion of such earned return above the maximum allowed ROE will be subject for disposition after the nature and extent of any such amount above the ranges are known.

This consent of jurisdiction applies to the following utilities:

LIFE – The Harbor, LLC  
671-W and 573-S

Provided below is additional information concerning these utilities for further consideration:

- o In looking at the numbers, I can see that the income is not in line with last year's, even with the small price index increase that we were granted. The new management company moved us to a new accounting system effective August 2025 so I do believe that the numbers they migrated from January 1 through July 30, 2025, were improperly calculated, not knowing how our categories of billing should be separated. If I could have two weeks (by May 15) to meet with the management company and go over the numbers that were submitted, I should be able to reconstruct what has been done in the past and come up with a more accurate calculation and resubmit the annual report. I appreciate your consideration.

Wendy Henderson, Park Manager  
The Harbor Waterfront Resort  
863-696-1194  
theharbor@newbymanagement.com

Florida Utility Services 1 LLC  
5911 Trouble Creek Rd  
New Port Richey, FL 34652

May 1, 2026

Mark Cicchetti, Director  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

RE: *Lake Yale Utilities, LLC - Potential Overearnings*

Dear Mr. Cicchetti:

It is our understanding that Staff is undertaking an informal investigation of potential overearnings of Lake Yale Utilities, LLC (LYU) based upon its 2025 Annual Report. LYU will be providing information requested by staff, as well as additional information showing that LYU will not be overearning prospectively.

This letter will serve as LYU's consent to the Commission's jurisdiction over revenues from May 1, 2026, which exceed the high end of LYU's return on equity on a prospective basis.

Should you have any questions regarding this matter please give me a call.

For the utility,



Michael Smallridge - Manager  
Florida Utility Services 1, LLC

Florida Utility Services 1 LLC  
5911 Trouble Creek Rd  
New Port Richey, FL 34652

May 1, 2026

Mark Cicchetti, Director  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

RE: *McLeod Gardens Utilities, LLC - Potential Overearnings*

Dear Mr. Cicchetti:

It is our understanding that Staff is undertaking an informal investigation of potential overearnings of McLeod Gardens Utilities, LLC (MGU) based upon its 2025 Annual Report. MGU will be providing information requested by staff, as well as additional information showing that MGU will not be overearning prospectively.

This letter will serve as MGU's consent to the Commission's jurisdiction over revenues from May 1, 2026, which exceed the high end of MGU's return on equity on a prospective basis.

Should you have any questions regarding this matter please give me a call.

For the utility,

A handwritten signature in black ink, appearing to read 'ms', is written over the typed name of Michael Smallridge.

Michael Smallridge - Manager  
Florida Utility Services 1, LLC

Florida Utility Services 1 LLC  
5911 Trouble Creek Rd  
New Port Richey, FL 34652

May 1, 2026

Mark Cicchetti, Director  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

RE: *West Lakeland Wastewater, LLC - Potential Overearnings*

Dear Mr. Cicchetti:

It is our understanding that Staff is undertaking an informal investigation of potential overearnings of West Lakeland Wastewater, LLC (WLW) based upon its 2025 Annual Report. WLW will be providing information requested by staff, as well as additional information showing that WLW will not be overearning prospectively.

This letter will serve as WLW's consent to the Commission's jurisdiction over revenues from May 1, 2026, which exceed the high end of WLW's return on equity on a prospective basis.

Should you have any questions regarding this matter please give me a call.

For the utility,

A handwritten signature in black ink, appearing to read 'MS', with a long horizontal flourish extending to the right.

Michael Smallridge - Manager  
Florida Utility Services 1, LLC