

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for grandfather certificate to  
operate water utility in Citrus County by Hash  
Utilities, LLC. (Lucky Hills Water System)

DOCKET NO. 20240116-WU  
ORDER NO. PSC-2025-0197-PAA-WU  
ISSUED: June 6, 2025

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman  
ART GRAHAM  
GARY F. CLARK  
ANDREW GILES FAY  
GABRIELLA PASSIDOMO SMITH

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING MISCELLANEOUS SERVICE CHARGES  
AND  
FINAL ORDER ACKNOWLEDGING GRANDFATHER APPLICATION,  
GRANTING WATER CERTIFICATE NO. 691-W, AND  
CONTINUING EXISTING RATES, CHARGES, AND DEPOSITS

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission (Commission) that the action discussed herein is preliminary in nature—except with regard to acknowledging the grandfather application, granting Certificate No. 691-W, and continuing existing rates, charges, and deposits—and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

On May 28, 2024, the Board of County Commissioners of Citrus County (County) adopted Resolution No. 2024-040 (Resolution), transferring regulation of the privately-owned, for-profit water and wastewater utilities in Citrus County to us. Effective upon the adoption of the Resolution, all non-exempt water and wastewater systems in Citrus County became subject to the provisions of Chapter 367, Florida Statutes (F.S.). By Order No. PSC-2024-0267-FOF-WS, we acknowledged the Resolution.<sup>1</sup>

<sup>1</sup> Order No. PSC-2024-0267-FOF-WS, issued July 25, 2024, in Docket No: 20240095-WS, *In re: Resolution of the Board of County Commissioners of Citrus County declaring Citrus County subject of the provisions of Sections 367, F.S.*

Pursuant to Section 367.171(2)(b), F.S., each utility engaged in the operation or construction of a system shall be entitled to receive a certificate for the area served by such utility on the day the chapter becomes applicable to the utility. On August 6, 2024, Hash Utilities, LLC (Lucky Hills or Utility) filed an application for a certificate under grandfather rights to provide water service in Citrus County for its Lucky Hills water system pursuant to Section 367.171(2), F.S., and Rule 25-30.035, F.A.C. Lucky Hills' application was found to be deficient and Commission staff sent a deficiency letter to the Utility on September 17, 2024. The Utility cured the deficiencies on January 27, 2025.

Lucky Hills provides water service to approximately 80 residential customers, in single family homes and mobile homes, and has 15 vacant lots in the subdivision. Wastewater service is provided by septic tank. The Utility began providing service in 1977. In 1989, the Commission granted Lucky Hills, Inc. Certificate No. 513-W.<sup>2</sup> The system was transferred to Wellaqu Company in 1995.<sup>3</sup> In 1999, the Citrus County Board of County Commissioners adopted Resolution No. 99-111 (1999 Resolution) rescinding our jurisdiction in Citrus County. We subsequently issued an order acknowledging the County's 1999 Resolution and canceling the certificates of the regulated water and wastewater utilities in the County, including Certificate No. 513-W.<sup>4</sup> The current owner purchased the Lucky Hills system in 2015. The Utility's service area is located in the Southwest Florida Water Management District. This Order addresses the application for a grandfather water certificate and rates and charges. We have jurisdiction over this matter pursuant to Section 367.171, F.S.

### Decision

#### I. Acknowledgment of Application for Grandfather Water Certificate

The Utility's application for a certificate under grandfather rights to provide water service in Citrus County is in compliance with Section 367.171(2)(b), F.S., and Rule 25-30.035, F.A.C. The application contains a warranty deed as proof of ownership of the land on which the Utility's facilities are located, an accurate territory description, and adequate service territory and system maps. The territory description is provided in Attachment A.

As stated in the Background above, Lucky Hills serves approximately 80 residential customers. The Utility does not currently have any outstanding citations, violations, or consent orders on file with the Florida Department of Environmental Protection.

The Utility is aware of its obligation to submit its 2024 Annual Report pursuant to Rule 25-30.110, F.A.C., and is also aware of its obligation to pay regulatory assessment fees pursuant

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<sup>2</sup> Order No. 20943, issued March 27, 1989, in Docket No. 19881419-WU, *In re: Application of Lucky Hills, Inc. for a water certificate in Citrus County, Florida.*

<sup>3</sup> Order No. PSC-95-0421-FOF-WU, issued March 28, 1995, in Docket No. 19940340-WU, *In re: Application for transfer of Certificate No. 513-W from Lucky Hills, Inc. to Wellaqu Company in Citrus County.*

<sup>4</sup> Order No. PSC-99-1899-FOF-WS, issued September 24, 1999, in Docket No. 19990996-WS, *In re: Resolution by Citrus County Commission to rescind Citrus County Resolution No. 73-97 and remove jurisdiction of Florida Public Service Commission over private water and wastewater utilities in Citrus County.*

to Rule 25-30.120, F.A.C. In addition, the Utility is aware that it must maintain its books and records according to the National Association of Regulatory Utility Commissioners' Uniform System of Accounts.

Based on the foregoing, we hereby grant Lucky Hills Certificate No. 691-W to serve the territory described in Attachment A. This Order shall serve as the Utility's certificate and shall be retained by the Utility.

## II. Rates, Charges, and Deposits

Citrus County Water and Wastewater Authority approved the Utility's current bi-monthly rates by Final Order 23-03 on August 14, 2023. The bi-monthly water rates consist of a base facility charge (BFC) and gallonage charge per 1,000 gallons. However, it appears the Utility has not been billing the appropriate rates, which will be addressed below in Section IV. We approve the rates that were last approved in Final Order 23-03 by Citrus County to be billed to customers.

Lucky Hills' water charges consist of miscellaneous service charges and service availability charges, which include a service availability policy. The miscellaneous service charges were established under the prior owner, but some of the miscellaneous service charges are not consistent with the Florida Statutes or Commission Rules and are addressed in Section III. The Utility's existing Violation Reconnection Charge, Late Payment Charge, and Non-Sufficient Funds (NSF) Charge, however, shall remain unchanged and are hereby approved. The Utility's service availability charges were approved in Final Order 24-01 on January 29, 2024.

We find that, of the Utility's rates, charges, and deposits that were approved by Citrus County and in effect when Citrus County transferred jurisdiction to us, only the rates, charges, and initial customer deposit shown on Schedule No. 1, and the Utility's existing Violation Reconnection Charge, Late Payment Charge, and NSF Charge, are appropriate and, therefore, are approved. The rates, charges, and initial customer deposit shown in Schedule No. 1 shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets. The Utility shall be required to charge the approved Violation Reconnection Charge, Late Payment Charge, and NSF Charge, as well as the rates, charges, and initial customer deposit shown in Schedule No. 1 until authorized to change them by us in a subsequent proceeding.

## III. Miscellaneous Service Charges

Lucky Hills did not request to revise its existing miscellaneous service charges. The Utility's current miscellaneous service charges for water service consist of various charges and are shown on Table 1. Section 367.091, F.S., authorizes us to establish, increase, or change a rate or charge other than monthly rates or service availability charges. We find that some of the Utility's existing charges that are set forth in Table 1 must be revised to conform with Rule 25-30.460, F.A.C. As discussed in Section II, the Utility's existing Violation Reconnection Charge, Late Payment Charge, and NSF Charge are approved without modification, but are shown below for illustrative purposes.

**Table 1**  
**Hash Utilities, LLC (Lucky Hills Water System)**  
**Existing Miscellaneous Service Charges**

	<u>Existing Charges</u>
Initial Connection Charge	\$45.00
Normal Reconnection Charge	\$45.00
Violation Reconnection Charge	\$45.00
Premises Visit Charge (in lieu of disconnection)	\$45.00
Premises Visit Charge	\$30.00
Late Payment Charge	\$5.00
NSF Charge	Pursuant to Section 68.065, F.S.
Tampering Charge	\$150.00

Source: Document No. 02871-2025, filed on April 16, 2025, in Docket No. 20240116-WU.

Premises Visit Charge and Violation Reconnection Charge

As shown on Table 1, the Utility currently has an initial connection charge, a normal reconnection charge, a violation reconnection charge, and a premises visit charge (in lieu of disconnection) of \$45. The Utility also has a separate “Premises Visit Charge” of \$30. However, pursuant to Rule 25-30.460(2)(a), F.A.C., initial connection and reconnection charges are subsumed within the definition of the premises visit charge. Therefore, the initial and normal reconnection charges shall be removed.

Lucky Hills has two premises visit charges, one assessed for the purpose of discontinuing service while the other is assessed when a Utility representative visits a premises for purposes other than discontinuing service. Our rule encompasses both of these Utility charges into one for the “premises visits charge.” Since the premises visit now entails a broader range of tasks, we find it appropriate for the cost to reflect the amount of the higher premises visit charge of \$45. Therefore, the separate premises visit charge of \$30 shall be removed. The Utility’s definition for “premises visit charge” shall be updated to comply with Rule 25-30.460, F.A.C.

Tampering or Prohibited Connection or Use Charge

The Utility has a tampering charge of \$150 for water service. Rule 25-30.320(2)(j), F.A.C., provides that a utility may refuse or discontinue service without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of such service, the Utility, before restoring service, may require the customer to make at their own expense all changes in piping or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the deficiency in revenue resulting from the customer’s fraudulent use before restoring service. Based on the above, we find that the Utility’s tampering charge of \$150 must be modified and shall be approved at actual cost. The appropriate water miscellaneous service charges shown on Table 2 are hereby approved.

**Table 2**  
**Hash Utilities, LLC (Lucky Hills Water System)**  
**Commission-Approved Miscellaneous Service Charges**

	<u>All Hours</u>
Premises Visit Charge	\$45.00
Violation Reconnection Charge	\$45.00
Tampering Charge	Actual Cost
NSF Charge	Pursuant to Section 68.065, F.S.
Late Payment Charge	\$5.00

The Utility's existing Violation Reconnection Charge, Late Payment Charge, and NSF Charge remain unchanged and were approved in Section II. They are included above for illustrative purposes. The Utility shall be required to file a proposed customer notice to reflect our approved charges. The approved charges shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(2), F.A.C. In addition, the tariff sheets shall be approved upon Commission staff's verification that the tariffs are consistent with our decision and that the proposed customer notice is adequate.

#### IV. Unauthorized Rates

Lucky Hills is currently charging rates that were not authorized by Citrus County. As reflected in the current tariff, Lucky Hills bills a bi-monthly BFC of \$21.27 and a gallonage charge of \$4.37 per 1,000 gallons. However, Citrus County Final Order 23-03 only authorizes a monthly BFC of \$20.81 and a gallonage charge of \$4.28 per 1,000 gallons. Commission staff contacted the County which indicated that the Utility's last price index increase was approved in Final Order 23-03 on August 14, 2023.

On March 4, 2024, the County issued Final Order 24-04 which authorizes the Utility to *apply* for a 3.24 percent price index increase which Lucky Hills allegedly did. As reflected in unissued Citrus County Final Order 24-05, County staff had identified application deficiencies which suggested that 2.19 percent would be the more appropriate price index adjustment for the Utility. However, draft Final Order 24-05 was never signed or issued by the Citrus County Water and Wastewater Authority because the May 20, 2024 meeting to officially decide that matter was canceled due to the change of Citrus County jurisdiction in progress with this Commission. It appears that the Utility mistakenly implemented a 2.19 percent increase to its 2023 approved rates before Citrus County Water and Wastewater Authority rendered a decision. Therefore, according to the Utility's tariff, customers are being overcharged.

In light of the above, Lucky Hills did not bill the appropriate rates per Citrus County Final Order 23-03. A new docket shall be opened to investigate the Utility's billing practices and determine the appropriate action.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Hash Utilities, LLC's grandfather application for its Lucky Hills water system is hereby acknowledged and Hash Utilities, LLC is granted Certificate No. 691-W, effective May 28, 2024, to serve the territory described in Attachment A of this Order. This Order shall serve as Hash Utilities, LLC's certificate and shall be retained by Hash Utilities, LLC. It is further

ORDERED that the rates, charges, and initial customer deposit shown on attached Schedule No. 1 are appropriate and approved. In addition, Hash Utilities, LLC's existing Violation Reconnection Charge, Late Payment Charge, and NSF Charge for its Lucky Hills water system are approved. These charges, as well as the rates, charges, and initial customer deposit shown in Schedule No. 1, shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets. Hash Utilities, LLC shall charge the approved Violation Reconnection Charge, Late Payment Charge, and NSF Charge, as well as the rates, charges, and initial customer deposit shown in Schedule No. 1, until authorized to change them by this Commission in a subsequent proceeding. It is further

ORDERED that the appropriate miscellaneous service charges shown in Table 2 are hereby approved. Hash Utilities, LLC shall file a proposed customer notice to reflect the Commission-approved charges for its Lucky Hills water system. The approved charges shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(2), F.A.C. In addition, the tariff sheets shall be approved upon Commission staff's verification that the tariffs are consistent with our decision and that the proposed customer notice is adequate. It is further

ORDERED that Commission staff shall open a new docket to investigate Hash Utilities, LLC's charging of unauthorized rates in its Lucky Hills water system. It is further

ORDERED that the provisions of this Order that are issued as proposed agency action shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, F.A.C., is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall remain open for Commission staff's verification that the revised tariff sheets and customer notice were filed by Hash Utilities, LLC and approved by Commission staff. Once this action is complete, this docket shall be closed administratively.

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By ORDER of the Florida Public Service Commission this 6th day of June, 2025.



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ADAM J. TEITZMAN  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
(850) 413-6770  
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

CMM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein, except with regard to acknowledging the grandfather application and granting Certificate No. 691-W and continuing existing rates, charges, and deposits, is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on June 27, 2025.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

**DESCRIPTION OF TERRITORY SERVED**

**Hash Utilities, LLC**  
**Lucky Hills Subdivision, Citrus County**

Section 36, Township 19 South, Range 17 East, Citrus County, Florida.

Commence at the Northwest corner of the Southeast 1/4 of the Northwest 1/4 of Section 36, Township 19 South, Range 17 East; thence North 89°54'10" East a distance of 331.96 feet; thence North 00°24'06" East a distance of 645.45 feet; thence North 89°57'32" East a distance of 332.54 feet; thence South 00°29'57" West a distance of 644.98 feet; thence North 89°54'10" East a distance of 663.92 feet; thence South 00°31'44" West a distance of 1,357.05 feet, thence South 89°54'10" West a distance of 1,323.82 feet, thence North 00°24'06" East a distance of 1,340.24 feet to the Point of Beginning.

**FLORIDA PUBLIC SERVICE COMMISSION**

**authorizes**  
**Hash Utilities, LLC (Lucky Hills Water System)**  
**pursuant to**  
**Certificate Number 691-W**

to provide water service in Citrus County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-2025-0197-PAA-WU	06/06/2025	20240116-WU	Grandfather Certificate

**Hash Utilities, LLC (Lucky Hills Water System)  
Existing Bi-Monthly Water Rates**

**Residential, Multi-Residential, and General  
Service**

Base Facility Charge by Meter Size  
5/8" X 3/4"

\$20.81

Charge Per 1,000 gallons

\$4.28

**Customer Deposits**

**Residential and General Service**

All Meter Sizes

\$85.00

**Miscellaneous Service Charges**

**Miscellaneous Service Charges**

NSF Charge

Pursuant to Section 68.065, F.S.

Late Charge

\$5.00

**Service Availability Charges**

**Customer Connection (Tap-in) Charge**

5/8" X 3/4"

\$450.00

**Meter Installation Charge**

5/8" X 3/4"

\$650.00

1"

\$750.00

**Plant Capacity Charge**

Residential – Per ERC (GPD)

\$795.00