

FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION CONFERENCE AGENDA

CONFERENCE DATE AND TIME: Thursday, September 4, 2025, 9:30 a.m.

LOCATION: Betty Easley Conference Center, Joseph P. Cresse Hearing Room 148

DATE ISSUED: August 22, 2025

NOTICE

Persons affected by Commission action on certain items on this agenda may be allowed to address the Commission, either informally or by oral argument, when those items are taken up for discussion at this conference. These items are designated by double asterisks (**) next to the item number.

To participate informally, affected persons need only appear at the conference and request the opportunity to address the Commission on an item listed on the agenda. Informal participation is not permitted: (1) on dispositive motions and motions for reconsideration; (2) when a recommended order is taken up by the Commission; (3) in a rulemaking proceeding after the record has been closed; or (4) when the Commission considers a post-hearing recommendation on the merits of a case after the close of the record. The Commission allows informal participation at its discretion in certain types of cases (such as declaratory statements and interim rate orders) in which an order is issued based on a given set of facts without hearing. See Florida Administrative Code Rules 25-22.0021 (agenda conference participation) and 25-22.0022 (oral argument).

Conference agendas, staff recommendations, vote sheets, and transcripts are available online at <https://www.floridapsc.com>, by selecting *Conferences & Meeting Agendas* and *Commission Conferences of the FPSC*. An official vote of "move staff" denotes that the Item's recommendations were approved.

In accordance with the Americans with Disabilities Act, persons needing a special accommodation to participate at this proceeding should contact the Office of Commission Clerk no later than five days prior to the conference 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). Assistive Listening Devices are available upon request from the Office of Commission Clerk, Gerald L. Gunter Building, Room 152.

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ITEM NO.

CASE

1**

Consent Agenda

PAA

A) Application for Certificate of Authority to Provide Telecommunications Service.

DOCKET NO.

COMPANY NAME

20250076-TX

Alternative Choice Wireless, LLC

20250096-TX

Zayo Network Services, LLC

Recommendation: The Commission should approve the action requested in the dockets referenced above and close these dockets.

ITEM NO.

CASE

2

Docket No. 20250035-GU – Petition for approval of 2025 depreciation study and for approval to amortize reserve imbalance, by Florida City Gas.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: GCL: Rubottom Sparks, Imig

AFD: Higgins

ECO: Kunkler, Galloway, Richards, Wu

(Decision on Motion for Reconsideration of Non-Final Order - Decision on Motion to Dismiss - Oral Argument Requested; Participation is at the discretion of the Commission)

Issue 1: Should the Commission grant OPC's Requests for Oral Argument on its motions?

Recommendation: No. Staff recommends that the Commission should deny OPC's requests because the pleadings are sufficient on their face for the Commission to consider and rule on each of the motions. However, if the Commission exercises its discretion to grant oral argument, staff recommends that 5 minutes per side is sufficient.

Issue 2: Should the Commission grant OPC's Motion to Dismiss due to a lack of subject matter jurisdiction?

Recommendation: No. The Commission should deny OPC's Motion because FCG's petition for approval of a new depreciation study and depreciation parameters is within the Commission's jurisdiction. The Commission has subject matter jurisdiction over FCG's depreciation rates, the present case is separate and distinct from the case pending on appeal before the Supreme Court, and a Commission decision in this case would not affect the appeal currently pending before the Supreme Court.

Issue 3: Should the Commission grant OPC's Motion for Reconsideration?

Recommendation: No. Staff recommends that the Commission deny OPC's Motion for Reconsideration under the Commission's traditional standard of review for such motions because OPC has failed to articulate a reason to depart from that standard and because the Motion fails to raise a point of fact or law that the Prehearing Officer overlooked or failed to consider in rendering the Denial Order.

Issue 4: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission's final resolution of FCG's Petition.

ITEM NO.

CASE

3

Docket No. 20240068-WS – Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties, by Sunshine Water Services Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: GCL: Sandy, Farooqi
AFD: Cicchetti, Norris
APA: Mouring
ECO: Bruce, Hudson
ENG: King

(Motion for Reconsideration - Oral Argument is requested; participation is at the discretion of the Commission.)

Issue 1: Should OPC's Request for Oral Argument on its Motion for Reconsideration of Order No. PSC-2025-0196-FOF-WS be granted?

Recommendation: No. Staff believes that the pleadings are sufficient on their face for the Commission to evaluate and rule on the Motion. However, if the Commission wants to exercise its discretion to hear oral argument, staff recommends that 5 minutes per party is sufficient.

Issue 2: Should OPC's Motion for Reconsideration of Order No. PSC-2025-0196-FOF-WS be granted?

Recommendation: Staff recommends that OPC's Motion should be granted in part and denied in part. Staff recommends that two of OPC's proposed adjustments to the revenue requirement should be granted. This will result in a downward calculation of revenue requirement by \$778 and \$880 for the Utility's water and wastewater systems respectively. Staff recommends that OPC has otherwise failed to show where the Commission overlooked or failed to consider a fact or law in rendering its decision. Therefore, in all other respects, OPC's Motion should be denied.

Issue 3: Should this docket be closed?

Recommendation: No. Final Order PSC-2025-0196-FOF-WS has been appealed to the Florida First District Court of Appeal. This docket should remain open for the processing of the appeal.

ITEM NO.

CASE

4**

Docket No. 20250085-TP – 2026 State certification under 47 C.F.R. §54.313 and §54.314, annual reporting requirements for high-cost recipients and certification of support for eligible telecommunications carriers.

Critical Date(s): 10/01/25 (Filing deadline with the Federal Communications Commission and the Universal Service Administrative Company)

Commissioners Assigned: All Commissioners

Prehearing Officer: Passidomo Smith

Staff: IDM: Nave, Long, Wooten

GCL: Farooqi, Imig

Issue 1: Should the Commission certify to USAC and the FCC that Bright House Networks Information Services (Florida), LLC; CenturyLink of Florida, Inc.; Consolidated Communications of Florida Company, LLC; Frontier Florida LLC; ITS Telecommunications Systems, LLC d/b/a Blue Stream Fiber; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; Smart City Telecommunications LLC d/b/a Smart City Telecom; Windstream Communications, LLC; and Windstream Florida, LLC are eligible to receive federal high-cost support?

Recommendation: Yes. The Commission should certify to USAC and the FCC that Bright House Networks Information Services (Florida), LLC; CenturyLink of Florida, Inc.; Consolidated Communications of Florida Company, LLC; Frontier Florida LLC; ITS Telecommunications Systems, LLC d/b/a Blue Stream Fiber; Northeast Florida Telephone Company d/b/a NEFCOM; Quincy Telephone Company d/b/a TDS Telecom; Smart City Telecommunications LLC d/b/a Smart City Telecom; Windstream Communications, LLC; and Windstream Florida, LLC are eligible to receive federal high-cost support.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a Final Order.

ITEM NO.

CASE

5**PAA

Docket No. 20240149-EI – Petition for limited proceeding for recovery of incremental storm restoration costs related to Hurricanes Debby, Helene, and Milton, by Florida Power & Light Company.

Critical Date(s): 10/29/25 (date by which Petition must be ruled on pursuant to Section 120.542, F.S.)

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: AFD: Vogel, Gatlin, Hinson

ECO: Hampson

ENG: P. Buys, Ramos, Smith II

GCL: Brownless, J. Crawford

Issue 1: Should the Commission grant Florida Power & Light Company’s Petition for a temporary waiver or variance of Rule 25-6.0143(1)(g), F.A.C.

Recommendation: Yes. The Commission should grant FPL’s Petition for a temporary variance or waiver of Rule 25-6.0143(1)(g), F.A.C., to allow FPL to file its petition and documentation supporting the review and true-up of the total actual incremental storm restoration costs related to Hurricanes Debby, Helene, and Milton no later than December 31, 2025.

Issue 2: Should this docket be closed?

Recommendation: No. Disposition of this petition for a waiver or variance serves only to extend the deadline for FPL to submit its petition and documentation supporting the review and true-up of the total actual incremental storm restoration costs related to Hurricanes Debby, Helene, and Nicole. This docket should remain open until that review is complete and the Commission has approved the final true-up. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued and this docket should remain open.

ITEM NO.

CASE

6**PAA

Docket No. 20230019-EI – Petition for recovery of costs associated with named tropical systems during the 2018-2022 hurricane seasons and replenishment of storm reserve, by Tampa Electric Company.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: AFD: Mason, Vogel

GCL: M. Thompson, Sandy

Issue 1: What is the total amount TECO recovered through the storm restoration surcharge during the March 2023 to December 2024 period?

Recommendation: The total amount TECO recovered through the storm restoration surcharge during the March 2023 to December 2024 period was \$135,978,101.74.

Issue 2: Did TECO over- or under-recover when collecting its storm restoration surcharge, and if so, by how much and what is the appropriate disposition of the over- or under-recovery?

Recommendation: TECO over-recovered its storm restoration surcharge by \$1,145,253.91.

Issue 3: Should this docket be closed?

Recommendation: Yes. If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

ITEM NO.

CASE

7**PAA

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

Critical Date(s): 12/26/25 (15-Month Effective Date (SARC))

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: AFD: Folkman, Cohn, Higgins, G. Kelley

ECO: Bruce, Chambliss, Hudson

ENG: P. Buys, Ramos, Smith II

GCL: Marquez, Farooqi

(Proposed Agency Action - Except for Issue Nos. 13, 14, and 15.)

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.

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.

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).

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.

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.

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.

ITEM NO.

CASE

7**PAA

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

(Continued from previous page)

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.

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.

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.

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.

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.

ITEM NO.

CASE

7**PAA

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

(Continued from previous page)

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.

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.

ITEM NO.

CASE

7**PAA

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

(Continued from previous page)

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.

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.

ITEM NO.

CASE

7**PAA

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

(Continued from previous page)

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.

ITEM NO.

CASE

8**PAA

Docket No. 20250093-EI – Petition for approval of a negotiated as-available energy agreement between Duke Energy Florida, LLC and Placid Solar II, LLC.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Administrative

Staff: ENG: Wooten, Ellis

GCL: Marquez, Farooqi

Issue 1: Should the Commission approve DEF's proposed negotiated as-available energy agreement with Placid?

Recommendation: Yes. The Commission should approve DEF's negotiated as-available energy agreement because the terms of the Contract would not result in higher cost electric service or negatively affect the reliability of electric service to the general body of ratepayers and is consistent with the requirements of Rules 25-17.082 through 25-17.091, F.A.C. Therefore, DEF should be allowed to seek cost recovery through the Fuel and Purchased Power Cost Recovery Clause for payments made pursuant to the Contract, consistent with Commission rules.

Issue 2: Should this docket be closed?

Recommendation: Yes. 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, then this docket should be closed upon the issuance of a consummating order.

ITEM NO.

CASE

9**PAA

Docket No. 20250023-WS – Application for staff-assisted rate case in Polk County, by NC Real Estate Projects, LLC d/b/a Grenelefe Utility.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ENG: Ramirez-Abundez, King, Ramos, Smith II

ECO: Bruce, Hudson, Sibley

GCL: Imig, Augspurger

Issue 1: Should Grenelefe's requested interim service availability charges be approved?

Recommendation: The interim service availability charges requested by Grenelefe should not be approved. Staff recommends interim service availability charges should be set as a plant capacity charge of \$320 for water and \$4,942 for wastewater. The utility should file a revised tariff sheet to reflect the Commission-approved charges. The approved charges shall be effective for connections made on or after the stamped approval date on the tariff sheet. In addition, the approved charges should not be implemented until staff has approved the proposed customer notice and the notice has been received by property owners who requested service beginning 12 months prior to the establishment of this docket. The utility shall provide proof of noticing within 10 days of rendering the approved notice. The approved plant capacity charges should not be implemented until the required security has been established and shall be held subject to refund, pending the Commission's decision regarding the appropriate pro forma plant additions.

Issue 2: What is the appropriate security to guarantee the interim increase?

Recommendation: The utility should file an escrow agreement to guarantee potential refunds of water and wastewater plant capacity charges collected under interim conditions. Pursuant to Rule 25-30.360(7), F.A.C., the utility shall provide a report by the 20th of each month indicating the monthly and total revenue collected subject to refund.

Issue 3: Should this docket be closed?

Recommendation: This docket should remain open pending final resolution of SARC.

ITEM NO.

CASE

10**PAA

Docket No. 20250089-EU – Joint petition for approval of amended and restated territorial agreement in Polk County, by Tampa Electric Company and City of Lakeland.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Fay

Staff: ECO: Pope

GCL: Bloom

Issue 1: Should the Commission approve the Amended Agreement between TECO and Lakeland in Polk County, dated June 30, 2025?

Recommendation: Yes, the Commission should approve the proposed Amended Agreement between TECO and Lakeland in Polk County, as reflected in Attachments A and B of staff's memorandum dated August 22, 2025. The agreement satisfies the standards for approval set forth in Rule 25-6.0440(2), Florida Administrative Code, and would allow the joint petitioners to gain further operational efficiencies, support near-term development activity, and improve service delivery in their respective retail service areas.

Issue 2: Should this docket be closed?

Recommendation: If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

ITEM NO.

CASE

11**PAA

Docket No. 20250013-WS – Application for staff-assisted rate case in Highlands County, by LP Waterworks, Inc.

Critical Date(s): None

Commissioners Assigned: All Commissioners

Prehearing Officer: Graham

Staff: ECO: Bethea, Bruce
AFD: Folkman, Kelley
ENG: L. Smith II
GCL: Imig, Augspurger

(Proposed Agency Action - Except for Issue Nos. 12, 13, and 14.)

Issue 1: Is the quality of service provided by LP Waterworks, Inc. satisfactory?

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

Issue 2: Are the infrastructure and operating conditions of LP Waterworks, Inc.'s water and wastewater systems in compliance with the DEP regulations?

Recommendation: Yes. The LP water and wastewater systems are currently in compliance with the DEP.

Issue 3: What are the used and useful percentages (U&U) of LP Waterworks, Inc.'s water treatment plant (WTP), water storage, WWTP, and distribution and collection systems?

Recommendation: The utility's WTP, WWTP, water storage, water distribution system, and wastewater collection system should all be considered 100 percent U&U. Staff recommends that no adjustment is necessary for excessive infiltration and inflow (I&I); however, a 7.7 percent adjustment to purchased power and chemical expenses should be made for excessive unaccounted for water (EUW).

Issue 4: What are the appropriate average test year water rate base and wastewater rate base amounts for LP Waterworks, Inc.?

Recommendation: The appropriate average test year rate bases for LP are \$195,680 for water and \$136,706 for wastewater.

Issue 5: What is the appropriate return on equity and overall rate of return for LP Waterworks, 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 8.30 percent.

Issue 6: What are the appropriate amount of test year operating revenues for LP Waterworks, Inc.'s water and wastewater systems?

Recommendation: The appropriate test year operating revenues are \$190,201 for LP's water system and \$143,112 for the wastewater system.

ITEM NO.

CASE

11**PAA

Docket No. 20250013-WS – Application for staff-assisted rate case in Highlands County, by LP Waterworks, Inc.

(Continued from previous page)

Issue 7: What are the appropriate operating expense for LP Waterworks, Inc.?

Recommendation: The appropriate amount of operating expenses are \$182,112 for water and \$134,811 for wastewater.

Issue 8: Does LP Waterworks, Inc. meet the criteria for application of the operating ratio methodology?

Recommendation: Yes, LP does meet the requirement for application of the operating ratio methodology for calculating the water and wastewater revenue requirements.

Issue 9: What is the appropriate revenue requirement for LP Waterworks, Inc.?

Recommendation: The appropriate revenue requirement is \$197,112 for water and \$149,156 for wastewater, resulting in an annual increase of \$6,911 (3.63 percent) for water and \$6,044 (4.22 percent) for wastewater.

Issue 10: What are the appropriate rate structures and rates for LP Waterworks, Inc.?

Recommendation: Staff recommends that the rate increase of 3.70 percent for water and 4.28 percent for wastewater be applied as an across-the-board increase to service rates. The recommended rate structure and monthly water rates are shown on Schedule Nos. 4-A and 4-B 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 within 10 days of the date of the notice.

Issue 11: What is the appropriate initial customer deposits for LP Waterworks, Inc.?

Recommendation: The appropriate initial customer deposit should be \$54 for the 5/8 inch x 3/4 inch meter size for water and \$64 for the 5/8 inch x 3/4 inch meter size for wastewater. 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.

ITEM NO.

CASE

11**PAA

Docket No. 20250013-WS – Application for staff-assisted rate case in Highlands County, by LP Waterworks, Inc.

(Continued from previous page)

Issue 12: 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 as required by Section 367.081(8), F.S.?

Recommendation: The rates should be reduced as shown on Schedule Nos. 4-A and 4-B 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. LP 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.

Issue 13: Should the recommended rates be approved for LP Waterworks, 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. LP should file revised tariff sheets and a proposed customer notice reflecting the Commission-approved rates. The approved rates should be effective for services 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. Further, prior to implementing 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 both the current monthly and total amount 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.

ITEM NO.

CASE

11**PAA

Docket No. 20250013-WS – Application for staff-assisted rate case in Highlands County, by LP Waterworks, Inc.

(Continued from previous page)

Issue 14: Should LP Waterworks, 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?

Recommendation: Yes. LP 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. Upon providing a notice of good cause, staff should be given administrative authority to grant an extension of up to 60 days.

Issue 15: 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 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. In addition, this docket should remain open until the report with the summary of the results of the customer meeting has been submitted by the utility. Once these actions are complete, this docket should be closed administratively.

ITEM NO.

CASE

12

Docket No. 20250052-WS – Application for increase in water and wastewater rates in Brevard, Citrus, Duval, Highlands, Marion, and Volusia Counties by CSWR-Florida Utility Operating Company.

Critical Date(s): 60-Day Interim Date Waived until 9/4/2025

Commissioners Assigned: All Commissioners

Prehearing Officer: Clark

Staff: ECO: Bethea, Bruce, Chambliss, Hudson, Sibley

AFD: McClelland, Quigley, Sowards, Vogel

ENG: P. Buys, King, Olivieri, Ramos, Smith II

GCL: Dose, Augspurger, J. Crawford

(Decision on Interim Rates - Participation is at the Discretion of the Commission)

ITEM NO.

CASE

12

Docket No. 20250052-WS – Application for increase in water and wastewater rates in Brevard, Citrus, Duval, Highlands, Marion, and Volusia Counties by CSWR-Florida Utility Operating Company.

(Continued from previous page)

Issue 1: Should any interim revenue increase be approved?

Recommendation: Yes, the utility should be authorized to collect annual water and wastewater revenues as indicated below. Staff recommends denial of interim rates for Tymber Creek water and wastewater systems due to the lack of historical test year data.

Water System	Adjusted Test Year Revenues	Revenue Increase	% Increase	Revenue Requirement
CFAT	\$122,938	\$106,420	86.56%	\$229,358
Neighborhood	\$161,065	\$113,946	70.75%	\$275,011
Rolling Oaks	\$1,639,803	\$542,825	33.10%	\$2,182,628
Sunshine – Unified ¹	\$1,126,715	\$856,801	76.04%	\$1,983,516
Sunshine – Other ²	\$89,277	\$103,916	116.40%	\$193,193

Wastewater System	Adjusted Test Year Revenues	Revenue Increase	% Increase	Revenue Requirement
BFF	\$100,259	\$28,361	28.29%	\$128,620
CFAT	\$136,724	\$43,700	31.96%	\$180,424
North Peninsula	\$283,728	\$92,164	32.48%	\$375,892
Rolling Oaks	\$1,630,126	\$139,283	8.54%	\$1,769,409
Sebring Ridge	\$68,620	\$176,267	256.87%	\$244,887
TKCB	\$126,857	\$67,837	53.48%	\$194,694

One system appears to be earning above its maximum return on equity (ROE). As such, revenues should be collected subject to refund, as shown in the table below, instead of decreasing rates at this time.

System	Revenue Held Subject to Refund	Percentage
Tradewinds (Water)	(\$162,602)	(32.08%)
Tradewinds (Wastewater)	(\$60,390)	(24.39%)

¹ *Sunshine – Unified consists of the Unified systems and Sandy Acres system.

² *Sunshine – Other consists of the Ponderosa Pines and Quail Run systems.

ITEM NO.

CASE

12

Docket No. 20250052-WS – Application for increase in water and wastewater rates in Brevard, Citrus, Duval, Highlands, Marion, and Volusia Counties by CSWR-Florida Utility Operating Company.

(Continued from previous page)

Issue 2: What are the appropriate interim water and wastewater rates?

Recommendation: The service rates for CSWR in effect as of January 31, 2025, should be increased as shown below to generate the recommended revenue increase for the interim period.

System	% Rate Increase
BFF Corp. - Water	28.29%
C.F.A.T. H2O, Inc. - Water	86.56%
C.F.A.T. H2O, Inc. -Wastewater	31.96%
Neighborhood Utilities, Inc. -Water	70.75%
North Peninsula Utilities, Inc. -Wastewater	32.48%
Rolling Oaks Utilities, Inc. -Water	33.10%
Rolling Oaks Utilities, Inc. -Wastewater	8.54%
Sebring Ridge Utilities, Inc. - Wastewater	256.87%
Sunshine Utilities, Inc.(Unified) - Water	76.04%
Sunshine Utilities, Inc.(Other) - Water	116.40%
TKCB, Inc. - Wastewater	53.48%

The rates, as shown on Schedule Nos. 4-A and 4-B of staff's memorandum dated August 22, 2025, 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. The utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. In addition, the approved rates should not be implemented until the required security has been filed, 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 within 10 days of the date of the notice.

Issue 3: What is the appropriate security to guarantee the interim increase?

Recommendation: The appropriate security to guarantee the funds collected subject to refund is a corporate undertaking by CSWR, LLC, on behalf of its subsidiary, CSWR-Florida Utility Operating Company. CSWR, LLC should be required to provide a written guarantee that it will support a corporate undertaking on behalf of CSWR-Florida Utility Operating Company in the amount of \$2,332,541.

ITEM NO.

CASE

12

Docket No. 20250052-WS – Application for increase in water and wastewater rates in Brevard, Citrus, Duval, Highlands, Marion, and Volusia Counties by CSWR-Florida Utility Operating Company.

(Continued from previous page)

Issue 4: Should this docket be closed?

Recommendation: The docket should remain open pending the Commission’s final action on the Utility’s requested rate increase.