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 June 2, 2026

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June 2, 2026

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Item 1

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Office of Industry Development and Market Analysis (Day, Mallow, Fogleman) ^{CH}
Office of the General Counsel (Hixon, Sparks) ^{SPS}

RE: Application for Certificate of Authority to Provide Telecommunications Service

AGENDA: 6/2/2026 - Consent Agenda - Proposed Agency Action - Interested Persons May Participate

SPECIAL INSTRUCTIONS: None

Please place the following Applications for Certificate of Authority to Provide Telecommunications Service on the consent agenda for approval.

<u>DOCKET NO.</u>	<u>COMPANY NAME</u>	<u>CERT. NO.</u>
20260061-TX	Kinetic ABS FL LLC	9014
20260073-TX	GENIOX US LLC	9015
20260074-TX	DCB Dark Fiber, LLC	9016

The Commission is vested with jurisdiction in this matter pursuant to Section 364.335, Florida Statutes. Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee if the certificate is active during any portion of the calendar year. A Regulatory Assessment Fee Return Notice will be mailed each December to the entities listed above for payment by January 30.

Item 2

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-

DATE: May 20, 2026
TO: Office of Commission Clerk (Teitzman)
FROM: Office of the General Counsel (Augspurger, Bloom) *SMC*
Division of Accounting and Finance (Vogel, Norris) *MC*
Division of Economics (Guffey) *ETD*

RECEIVED-FPSC
2026 MAY 20 AM 10:50
COMMISSION
CLERK

RE: Docket No. 20260022-WS – Proposed amendment of Rules 25-30.115, Uniform System of Accounts for Water and Wastewater Utilities; 25-30.033, Application for Original Certificate of Authorization and Initial Rates and Charges; 25-30.037, Application for Authority to Transfer; 25-30.0372, Alternative Procedure for Establishing Rate Base Value of Acquired Utility System; 25-30.110, Records and Reports, Annual Reports; 25-30.140, Depreciation; 25-30.433, Rate Case Proceedings; 25-30.444, Utility Reserve Fund; and 25-30.445, General Information and Instructions Required of Water and Wastewater Utilities in an Application for a Limited Proceeding.

AGENDA: 06/02/26 – Regular Agenda – Rule Proposal - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: La Rosa

RULE STATUS: Proposal May Be Deferred

CRITICAL DATES: 9/22/26 - Date by which rules must be proposed pursuant to Section 120.54(2)(a)2., F.S.

SPECIAL INSTRUCTIONS: None

Case Background

Pursuant to Section 367.121(1)(b), Florida Statutes (F.S.), the Commission (PSC) has the power to prescribe a uniform system and classification of accounts for all utilities, including water and

wastewater utilities. Rule 25-30.115, Florida Administrative Code (F.A.C.), directs regulated water and wastewater utilities to keep their accounts and records in conformance with the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA). In addition to Rule 25-30.115, F.A.C., the Commission has referred to or specifically incorporated by reference the existing USOA in multiple water and wastewater rules: Rules 25-30.033, 25-30.037, 25-30.110, 25-30.140, 25-30.0372, 25-30.433, 25-30.444, and 25-30.445, F.A.C. As part of the Commission's 5-year review of all of its rules under Section 120.5435, F.S., the Commission determined that these rules needed to be amended to provide necessary updates and clarification.

The current iteration of Rule 25-30.115, F.A.C., requires utilities to follow the now obsolete 1996 version of NARUC's Uniform System of Accounts for water and wastewater utilities. In 2024, NARUC adopted two new Uniform Systems of Accounts for water and wastewater utilities. NARUC's "Uniform System of Accounts for Water Utilities" was adopted by the NARUC Board of Directors on November 13, 2024, with corrections issued on January 24, 2025. NARUC's "Uniform System of Accounts for Wastewater Utilities" was also adopted on November 13, 2024, with corrections on April 4, 2025 and August 27, 2025. Together, these two updated systems of accounts will be referred to as the "NARUC USOA."

Additionally, Rule 25-30.433, F.A.C., references 26 CFR Part 1, s. 1.46-6(b)(2)(i), (3) and (4)(ii), as issued May 22, 1986; however, that federal regulation has been updated and now carries an effective date of April 7, 2008.

Also, many of the rules, specifically Rule 30-30.0372, F.A.C., Alternative Procedure for Establishing Rate Base Value of Acquired Utility System, require clarifications and updates to reflect current Commission practices and procedures.

The Commission's Notice of Development of Rulemaking was published in Volume 52, Number 59, of the Florida Administrative Register on March 26, 2026. No person or entity requested a workshop regarding the draft rule language, and no workshop was held.

This recommendation addresses whether the Commission should propose the amendment of Rules 25-30.115, 25-30.033, 25-30.037, 25-30.0372, 25-30.110, 25-30.140, 25-30.433, 25-30.444, and 25-30.445, F.A.C. The Commission has jurisdiction pursuant to Sections 350.115, 350.127(2), 367.031, 367.045, 367.071, 367.081, 367.081(2), 367.081(2)(c), 367.0811, 367.0812, 367.0812(1), 367.0814, 367.0822, 367.121, 367.121(1), 367.121(1)(a), 367.121(1)(b), 367.1213, 367.145(2), and 367.156(1), F.S.

Discussion of Issues

Issue 1: Should the Commission propose the amendment of Rule 25-30.115, F.A.C., Uniform System of Accounts for Water and Wastewater Utilities; Rule 25-30.033, F.A.C., Application for Original Certificate of Authorization and Initial Rates and Charges; Rule 25-30.037, F.A.C., Application for Authority to Transfer; Rule 25-30.0372, F.A.C., Alternative Procedure for Establishing Rate Base Value of Acquired Utility System; Rule 25-30.110, F.A.C., Records and Reports; Annual Reports; Rule 25-30.140, F.A.C., Depreciation; Rule 25-30.433, F.A.C., Rate Case Proceedings; Rule 25-30.444, F.A.C., Utility Reserve Fund; and Rule 25-30.445, F.A.C., General Information and Instructions Required of Water and Wastewater Utilities in an Application for a Limited Proceeding?

Recommendation: Yes. The Commission should propose the amendment of Rules 25-30.115, 25-30.033, 25-30.037, 25-30.0372, 25-30.110, 25-30.140, 25-30.433, 25-30.444, and 25-30.445, F.A.C., as set forth in Attachments A and B. Pursuant to Section 120.695, F.S., the Commission should certify that Rules 25-30.115, 25-30.033, 25-30.037, 25-30.0372, 25-30.110, 25-30.140, 25-30.433, and 25-30.445, F.A.C., are rules for which a violation would constitute a minor violation. However, Rule 25-30.444 is not a rule for which a violation would constitute a minor violation and therefore should not be certified as such. (Augspurger, Bloom, Vogel, Guffey)

Staff Analysis: The purpose of this rulemaking is to amend Rule 25-30.115, F.A.C., to ensure alignment with the most recent NARUC USOA, to update the reference to a provision of the Code of Federal Regulations in Rule 25-30.433, and to otherwise update and clarify the rules per Section 120.5435, F.S., in particular Rule 25-30.0372, F.A.C. In addition, these amendments provide necessary updates to Commission forms referenced in the above-mentioned rules. Staff is recommending that the rules be amended as set forth in Attachment A and that the Commission forms be amended as set forth in Attachment B.

Updated NARUC USOA

Rule 25-30.115, F.A.C., currently requires regulated water and wastewater utilities to maintain their accounts and records in conformance with the 1996 USOA. In 2024, NARUC updated its USOA for both water and wastewater utilities. Staff's proposed amendments to Rule 25-30.115, F.A.C., direct regulated water and wastewater utilities to maintain their books and records in conformity with the newly adopted NARUC USOA.

The NARUC USOA includes several significant account updates. The NARUC USOA removes accounts associated with technologies no longer in service, such as telegraph equipment, and adds new accounts that reflect modern utility operations. The NARUC USOA also updates the gross revenue thresholds for classifying utilities as either Class A (greater than \$1,750,000), B (\$350,000-\$1,750,000), or C (less than \$350,000). The updated NARUC USOA aligns more closely with U.S. Generally Accepted Accounting Principles, enabling utilities to more efficiently manage both regulatory and financial reporting requirements. In addition, the revised NARUC USOA promotes greater uniformity on a national level for regulatory commissions that receive reports from utilities of varying sizes. Overall, the update establishes a consistent baseline for all water and wastewater utility reporting. Staff believes it is best practice for the

Commission to ensure that utilities it regulates maintain conformity with the most recent version of the Uniform Systems of Accounts adopted by NARUC.

References to USOA in Other Related Rules

Rules 25-30.033, 25-30.037, 25-30.0372, 25-30.110, 25-30.140, 25-30.433, 25-30.444, and 25-30.445, F.A.C., currently contain references to the 1996 USOA. As noted above, NARUC updated its Uniform System of Accounts for both water and wastewater utilities in 2024. Staff recommends amending these rules to replace references to the outdated USOA with references to the NARUC USOA, as identified and incorporated by reference in Rule 25-30.115, F.A.C. This approach centralizes the identification of the particular NARUC USOA version within Rule 25-30.115, F.A.C., thus improving regulatory consistency and efficiency. This approach also avoids multiple different rule amendments if NARUC updates its Uniform System of Accounts for water or wastewater utilities in the future as only Rule 25-30.115, F.A.C., will require amendment.

Updates to Rule 25-30.0372, F.A.C., Alternative Procedure for Establishing Rate Base Value of Acquired Utility System

Rule 25-30.0372, F.A.C., implements Section 367.0811, F.S., which concerns the Alternative Procedure for Establishing Rate Base Value for acquired water and wastewater utility systems. The rule defines who is considered a “Licensed Appraiser,” the procedure for conducting Appraisals, and the petition filing requirements under the statute. In addition to updating references to the NARUC USOA, staff recommends making additional substantive changes to this rule. Specifically, paragraph (1)(a) requires Licensed Appraisers to hold a certification from the Institute of Business Appraisers. That organization and its certification no longer exist, and therefore should be removed from paragraph (1)(a).

Also, staff recommends that paragraph (2)(b) should be further clarified to require that appraisers cannot be employed by the same entity. The Commission had originally intended that the selection of appraisers be fair to everyone involved, and staff believes using this criteria would further this goal.

Lastly, staff recommends that paragraph (2)(e) should also require that licensed appraisers email or mail the Commission the expiration dates of their certifications or designations required by paragraph (1)(a) of the rule.

Reference to the CFR in Rule 25-30.433, F.A.C., Rate Case Proceedings

Rule 25-30.433(14), F.A.C., addresses the imputing of interest on deferred income tax credits in cases covered by 26 CFR Part 1, s. 1.46-6(b)(2)(i), (3) and (4)(ii), as issued May 22, 1986, and incorporates that regulation by reference. The federal regulation has been updated and now has an effective date of April 7, 2008. Thus, staff recommends that Rule 25-30.433 should be amended to include by reference the current version of 26 CFR Part 1, s. 1.46-6(b)(2)(i), (3) and (4)(ii), with an effective date of April 7, 2008.

Reference to the USOA in Related Forms incorporated by reference in the Rules

Rules 25-30.115, 25-30.033, 25-30.037, 25-30.0372, and 25-30.445, F.A.C., refer to and incorporate various Commission forms that reference the prior USOA. These forms have been updated to maintain consistency in referring to the current NARUC USOA, incorporated in Rule

25-30.115. Additionally, two forms incorporated by reference in Rule 25-30.110, F.A.C., have been updated to reflect the new gross revenue threshold (greater than \$350,000), per the updated NARUC USOA, for use of PSC Form 1032 for Class A and B utility annual report filings, and extending the use of PSC Form 1033 for Class C utility annual report filings of water and waste utilities below that threshold amount. All proposed updated forms are appended in Attachment B.

Minor Violation Rules Certification

Pursuant to Section 120.695, F.S., the agency head must certify for each rule filed for adoption whether any part of the rule is designated as a rule the violation of which would be a minor violation. Existing Rules 25-30.115, 25-30.033, 25-30.037, 25-30.0372, 25-30.110, 25-30.140, 25-30.433, and 25-30.445, F.A.C., are currently on the Commission's list of minor violation rules because violation of the rules would not result in economic or physical harm to a person or have an adverse effect on the public health, safety or welfare or create a significant threat of such harm. The amendments to the rules would not change their status as a minor violation rule. If the Commission proposes the amendment of these rules, then pursuant to Section 120.695, F.S., the Commission should certify that Rules 25-30.115, 25-30.033, 25-30.037, 25-30.0372, 25-30.110, 25-30.140, 25-30.433, and 25-30.445, F.A.C., are rules for which a violation would constitute a minor violation.

However, Rule 25-30.444, F.A.C., Utility Reserve Fund, is not currently on the Commission's minor violation list because violation of the rule would result in economic harm to a person, or would create a significant threat of such harm. Utility Reserve Funds draw money from customers for future infrastructure projects; therefore, any violation that results in mismanagement of these funds would be detrimental to customers. Thus, staff recommends that the Commission certify that Rule 25-30.444, F.A.C., is not a rule for which a violation would constitute a minor violation pursuant to Section 120.695, F.S., the amendments to that rule would not change the rule's status as not being a minor violation rule, and therefore should not be certified as such.

Statements of Estimated Regulatory Cost

Pursuant to Section 120.54, F.S., agencies are encouraged to prepare a statement of estimated regulatory costs (SERC) before the adoption, amendment or repeal of any rule. Agencies are required to prepare a SERC for any rule that will have an adverse impact on small business or that is likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate within one year after implementation. The SERC analysis includes whether the rule will, within five years of implementation, have an adverse impact in excess of \$1 million in the aggregate on economic factors such as economic growth, private sector job creation or employment, private sector investments, or business competitiveness, productivity or innovation. If expected adverse impacts or regulatory costs exceed any of the above criteria, a proposed rule may not take effect until it is ratified by the Legislature.

SERCs were prepared for each rule and are appended as Attachment C. Each SERC concludes that the rule will not have an adverse impact on small business and that the rule is not likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate within one year after implementation. Further, the SERCs conclude that the rules will not likely have an

adverse impact on economic growth, private sector job creation or employment, private sector investment, or business competitiveness, productivity or innovation in excess of \$1 million in the aggregate within five years of implementation. None of the adverse impact or regulatory cost criteria set forth in Section 120.541(2)(a), F.S., will be exceeded as a result of the recommended amendments to the rules and therefore legislative ratification pursuant to Section 120.541(3), F.S., is not required. In addition, the SERCs state that the rules will have no impact on small cities or counties and will not increase the cost to the Commission to implement and enforce the rules. No regulatory alternatives have been submitted pursuant to Section 120.541(1)(a), F.S.

Conclusion

Based on the foregoing, staff recommends that the Commission should propose the amendment of Rules 25-30.115, 25-30.033, 25-30.037, 25-30.0372, 25-30.110, 25-30.140, 25-30.433, 25-30.444, and 25-30.445, F.A.C., as set forth in Attachment A and that the Commission should propose the amendment of the Commission forms as set forth in Attachment B.

The Commission should also certify that Rules 25-30.115, 25-30.033, 25-30.037, 25-30.0372, 25-30.110, 25-30.140, 25-30.433, and 25-30.445, F.A.C., are rules for which a violation would constitute a minor violation. However, Rule 25-30.444 is not a rule for which a violation would constitute a minor violation and therefore should not be certified as such.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing are made, no comments from the Joint Administrative Procedures Committee (JAPC) are filed, and no proposals for lower cost regulatory alternatives are submitted pursuant to Section 120.541(1)(a), F.S., the rules should be filed for adoption with the Department of State, and the docket should be closed. (Augsburger, Bloom)

Staff Analysis: If no request for hearing is made, no comments from JAPC are filed, and no proposals for a lower cost regulatory alternatives are submitted pursuant to Section 120.541(1)(a), F.S., the rules should be filed for adoption with the Department of State, and the docket should be closed.

DOCKET 20260022-WS

EXHIBIT A

TO

STAFF RECOMMENDATION

(PROPOSED AMENDED RULES)

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25-30.115 Uniform System of Accounts for Water and Wastewater Utilities.

Water and wastewater utilities ~~must shall~~, effective January 1, ~~2027, 1998~~, maintain their accounts and records in conformity with the ~~1996 NARUC~~ National Association of Regulatory Utility Commissioners “Uniform System Systems of Accounts for Water Utilities” (adopted October 8, 2024; corrected January 24, 2025) and the “Uniform System of Accounts for Wastewater Utilities” (adopted November 13, 2024; corrected April 4, 2025 and August 27, 2025) (collectively, NARUC USOA), ~~adopted by the National Association of Regulatory Utility Commissioners, which~~ is incorporated by reference in this rule. All inquiries related to the interpretation of the NARUC USOA ~~these uniform systems of accounts~~ shall be submitted to the Commission’s Division of Accounting and Finance in writing. ~~Note: The National Association of Regulatory Utility Commissioners published separate uniform systems of accounts for three classes of water and wastewater utilities: Class A (defined as those having annual water or wastewater operating revenues of \$1,000,000 or more); Class B (defined as those having annual water or wastewater operating revenues of \$200,000 or more but less than \$1,000,000); Class C (defined as those having annual water or wastewater revenues of less than \$200,000).~~ Copies of the NARUC USOA may be inspected and examined at no cost at the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399 or at the Florida Department of State, R.A. Gray Building, 500 South Bronough Street, Tallahassee, Florida 32399. Copies of the NARUC USOA ~~these systems of accounts~~ may also be purchased online from the NARUC Store at www.naruc.org. ~~the office of said Association, Publications, National Association of Regulatory Utility Commissioners, 1101 Vermont Avenue, N.W., Suite 200, Washington, D.C. 20005, at (202)898-2200, or at http://www.naruc.org/about.cfm?e=staff.~~

Rulemaking Authority 367.121(1)(b), (f) FS. Law Implemented 367.121(1)(b) FS. History–

CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

1 *New 2-3-70, Amended 9-12-74, 1-2-79, 8-21-79, 9-25-85, Formerly 25-10.04, 25-10.004,*
2 *Amended 8-17-96,_____.*

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1 **25-30.033 Application for Original Certificate of Authorization and Initial Rates**
2 **and Charges.**

3 (1) Each applicant for an original certificate of authorization and initial rates and
4 charges ~~must shall~~ file with the Commission Clerk the information set forth in paragraphs (a)
5 through (q). Form PSC 1001 (06/26) ~~(12/15)~~, entitled “Application for Original Certificate of
6 Authorization for a Proposed or Existing System Requesting Initial Rates and Charges,” ~~which~~
7 ~~is~~ incorporated by reference in this rule and is available at [hyperlink]
8 http://www.flrules.org/Gateway/reference.asp?No=Ref_06237, is an example application that
9 may be completed by the applicant and filed with the Office of Commission Clerk to comply
10 with this subsection. This form is also available on the Commission’s website ~~Web-site~~ at
11 www.floridapsc.com.

12 (a) A filing fee pursuant to paragraph 25-30.020(2)(a), F.A.C.;

13 (b) Proof of noticing pursuant to Rule 25-30.030, F.A.C.;

14 (c) The utility’s name, address, telephone number, Federal Employer Identification
15 Number, authorized representative, and, if available, email address and fax number;

16 (d) The nature of the utility’s business organization, i.e., corporation, limited liability
17 company, partnership, limited partnership, sole proprietorship, or association. The applicant
18 must provide documentation from the Florida Department of State, Division of Corporations,
19 showing:

20 1. The utility’s business name and registration/document number for the business,
21 unless operating as a sole proprietor, and;

22 2. The utility’s fictitious name and registration number for the fictitious name, if
23 operating under a fictitious name;

24 (e) The name(s), address(es), and percentage of ownership of each entity or person that
25 owns or will own more than 5 percent interest in the utility;

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1 (f) The election the business has made under the Internal Revenue Code for taxation
2 purposes;

3 (g) A statement indicating whether the application is for water, wastewater, or both. If
4 the applicant is applying for water or wastewater only, the statement must ~~shall~~ include how
5 the other service is provided;

6 (h) To demonstrate the necessary financial ability of the applicant to provide service to
7 the proposed service area, the applicant must ~~shall~~ provide:

8 1. A detailed financial statement (balance sheet and income statement), audited if
9 available, of the financial condition of the applicant, which shows all assets and liabilities of
10 every kind and character. The financial statements must ~~shall~~ be for the preceding calendar or
11 fiscal year. The financial statement must ~~shall~~ be prepared in accordance with Rule 25-30.115,
12 F.A.C. If available, a statement of the sources and uses of funds must ~~shall~~ also be provided;
13 and,

14 2. A list of all entities, including affiliates, upon which the applicant is relying to
15 provide funding to the utility and an explanation of the manner and amount of such funding.
16 The list need not include any person or entity holding less than 5 percent ownership interest in
17 the utility. The applicant must ~~shall~~ provide copies of any financial agreements between the
18 listed entities and the utility and proof of the listed entities' ability to provide funding, such as
19 financial statements;

20 (i) To demonstrate the technical ability of the applicant to provide service, the
21 applicant must ~~shall~~ provide:

22 1. A statement of the applicant's experience in the water or wastewater industry;

23 2. A copy of all current permits from the Department of Environmental Protection
24 (DEP) and the water management district;

25 3. A copy of the most recent DEP and/or county health department sanitary survey,

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1 compliance inspection report, and secondary standards drinking water report; and;

2 4. A copy of all correspondence with the DEP, county health department, and water
3 management district, including consent orders and warning letters, and the utility's responses
4 to the same, for the past five years;

5 (j) To describe the proposed service area, the applicant must ~~shall~~ provide:

6 1. A legal description of the proposed service area in the format described in Rule 25-
7 30.029, F.A.C.;

8 2. A detailed system map showing the existing and proposed lines and treatment
9 facilities, with the territory proposed to be served plotted thereon, consistent with the legal
10 description provided in subparagraph (j)1. above. The map must ~~shall~~ be of sufficient scale
11 and detail to enable correlation with the description of the territory proposed to be served; and;

12 3. An official county tax assessment map, or other map showing township, range, and
13 section with a scale such as 1" = 200' or 1" = 400', with the proposed territory plotted thereon,
14 consistent with the legal description provided in subparagraph (j)1. above;

15 (k) To demonstrate the need for service in the proposed area, the applicant must ~~shall~~
16 provide:

17 1. The number of customers currently being served and proposed to be served, by
18 customer class and meter size, including a description of the types of customers currently
19 being served and anticipated to be served, i.e., single family homes, mobile homes, duplexes,
20 golf course clubhouse, or commercial. If the development will be in phases, this information
21 must ~~shall~~ be separated by phase;

22 2. A copy of all requests for service from property owners or developers in areas not
23 currently served;

24 3. The current land use designation of the proposed service territory as described in the
25 local comprehensive plan at the time the application is filed. If the proposed development will

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1 require a revision to the comprehensive plan, describe the steps taken and to be taken to
2 facilitate those changes, including changes needed to address the proposed need for service;
3 and;

4 4. Any known land use restrictions, such as environmental restrictions imposed by
5 governmental authorities;

6 (l) The date applicant began or plans to begin serving customers. If already serving
7 customers, a description of when and under what circumstances the applicant began serving;

8 (m) Documentation of the utility's right to access and continued use of the land upon
9 which the utility treatment facilities are or will be located. Documentation of continued use
10 must shall be in the form of a recorded warranty deed, recorded quit claim deed accompanied
11 by title insurance, recorded lease (such as a 99-year lease), or recorded easement. To satisfy
12 this requirement, the ~~The~~ applicant may submit an unrecorded copy of the instrument granting
13 the utility's right to access and continued use of the land upon which the utility treatment
14 facilities are or will be located, provided the applicant files a recorded copy within the time
15 required in the order granting the certificate;

16 (n) A description of the separate capacities of the existing and proposed lines and
17 treatment facilities in terms of equivalent residential connections (ERCs) and gallons per day
18 estimated demand per ERC for water and wastewater and the basis for such estimate. If the
19 development will be in phases, this information must shall be separated by phase;

20 (o) A description of the type of water treatment, wastewater treatment, and method of
21 effluent disposal;

22 (p) To support the proposed rates and charges, the applicant must shall provide:

23 1. The existing and projected cost of the system(s) and associated depreciation by year
24 until design capacity is reached using the NARUC USOA ~~National Association of Regulatory~~
25 ~~Utility Commissioners (NARUC) 1996 Uniform System of Accounts (USOA), which is~~

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1 incorporated by reference in Rule 25-30.115, F.A.C. The applicant must ~~shall~~ identify the year
2 that 80 percent of design capacity is anticipated. If the utility will be built in phases, this
3 applies ~~shall apply~~ only to the first phase;

4 2. The existing and projected annual contributions-in-aid-of-construction (CIAC) and
5 associated amortization by year, including a description of the assumptions regarding
6 customer-growth projections, using the same projections used in subparagraph (1)(k)1. above,
7 for the proposed service area. The projected CIAC must ~~shall~~ identify cash and property
8 contributions and amortization at 100 percent of design capacity and identify the year when 80
9 percent of design capacity is anticipated. The projected CIAC must ~~shall~~ be consistent with the
10 service-availability policy and the charges in the proposed tariff provided in paragraph (q),
11 below, the schedule provided in subparagraph (1)(p)6.; below, and the CIAC guidelines in
12 Rule 25-30.580, F.A.C. If the utility will be built in phases, this applies ~~shall apply~~ only to the
13 first phase;

14 3. A schedule showing the projected capital structure including the methods of
15 financing the construction and operation of the utility until the utility reaches 80 percent of the
16 design capacity of the system. If the utility will be built in phases, this applies ~~shall apply~~ only
17 to the first phase;

18 4. The current annual operating expenses and the projected annual operating expenses
19 at 80 percent of design capacity using the NARUC USOA, incorporated by reference in Rule
20 25-30.115, F.A.C. If the utility will be built in phases, this applies ~~shall apply~~ only to the first
21 phase;

22 5. A schedule showing how the proposed rates were developed;

23 6. A schedule showing how the proposed service availability policy and charges were
24 developed, including meter installation, main extension, and plant capacity charges, and
25 proposed donated property; and;

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1 7. A schedule showing how the customer deposits and miscellaneous service charges
2 were developed, including initial connection, normal reconnection, violation reconnection, and
3 premises visit fees, consistent with Rules 25-30.311 and 25-30.460, F.A.C.; ~~and,~~

4 (q) A tariff containing all rates, classifications, charges, rules, and regulations which
5 must shall be consistent with Chapter 25-9, F.A.C. Form PSC 1010 (06/26) ~~(12/15)~~, entitled
6 “Water Tariff,” ~~which is~~ incorporated by reference in this rule and is available at [[hyperlink](#)]
7 <http://www.flrules.org/Gateway/reference.asp?No=Ref-06247>, and Form PSC 1011 (06/26)
8 ~~(12/15)~~, entitled “Wastewater Tariff,” ~~which is~~ incorporated by reference in this rule and is
9 available at [[hyperlink](#)] <http://www.flrules.org/Gateway/reference.asp?No=Ref-06248>, are
10 example tariffs that may be completed by the applicant and included in the application. These
11 forms may also be obtained from the Commission’s website at, www.floridapsc.com.

12 (2) The base facility and usage rate structure, ~~(as defined in subsection 25-30.437(5),~~
13 F.A.C.) must shall be utilized for metered service, unless an alternative rate structure is
14 supported by the applicant and authorized by the Commission.

15 (3) A return on common equity must shall be established using the current equity
16 leverage formula established by order of this Commission pursuant to Section 367.081(4),
17 F.S., unless there is competent substantial evidence supporting the use of a different return on
18 common equity.

19 (4) Utilities obtaining original certificates of authorization pursuant to this rule are
20 authorized to accrue allowance for funds used during construction (AFUDC) for projects
21 found eligible pursuant to subsection 25-30.116(1), F.A.C.

22 (a) The applicable AFUDC rate will shall be determined as the utility’s projected
23 weighted cost of capital as demonstrated in its application for original certificate and initial
24 rates and charges.

25 (b) A discounted monthly AFUDC rate calculated in accordance with subsection 25-

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1 30.116(3), F.A.C., will ~~shall~~ be used to ~~insure~~ ensure that the annual AFUDC charged does not
2 exceed authorized levels.

3 (c) The date the utility begins ~~shall begin~~ to charge the AFUDC rate must ~~shall~~ be the
4 date the certificate of authorization is issued to the utility so that such rate can apply to the
5 initial construction of the utility facilities.

6 *Rulemaking Authority 350.127(2), 367.121, 367.1213 FS. Law Implemented 367.031, 367.045,*
7 *367.1213 FS. History—New 1-27-91, Amended 11-30-93, 1-4-16, ~~_____~~.*

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1 **25-30.037 Application for Authority to Transfer.**

2 (1) This rule applies to any application for the transfer of an existing water or
3 wastewater utility, regardless of whether service is currently being provided. The application
4 for transfer may result in the transfer or cancellation of the seller’s existing certificate,
5 amendment of the buyer’s existing certificate or granting of an original certificate to the buyer,
6 or a transfer of majority organizational control of the utility.

7 (a) If a transfer occurs prior to Commission approval, the utility must ~~shall~~ submit an
8 application for authority to transfer no later than 90 days after the sale closing date.

9 (b) When a utility applies for any of the following transfer authorizations by the
10 Commission, it must ~~shall~~ provide its application as prescribed in the appropriate subsection
11 below:

12 1. A transfer of a regulated utility to another regulated utility must ~~shall~~ be pursuant to
13 subsection (2); below;

14 2. A transfer of an exempt entity to a regulated utility must ~~shall~~ be pursuant to
15 subsection (3); below;

16 3. A transfer of a utility in a nonjurisdictional county to a regulated utility that results
17 in a system whose service transverses county boundaries must ~~shall~~ be pursuant to subsection
18 (3); below;

19 4. A change of majority organizational control of a regulated utility must ~~shall~~ be
20 pursuant to subsection (4); below; or

21 5. A transfer of a regulated utility to an exempt entity other than a governmental
22 authority must ~~shall~~ be pursuant to subsection (5); below.

23 (c) Form PSC 1005 (06/26) ~~(12/15)~~, entitled “Application for Transfer of Certificates
24 or Facilities from a Regulated Utility to Another Regulated Utility,” ~~which is~~ incorporated by
25 reference in this rule and ~~which is~~ available at [hyperlink]

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1 <http://www.flrules.org/Gateway/reference.asp?No=Ref-06242>, Form PSC 1006 (06/26)
2 (~~12/15~~), entitled “Application for Transfer of an Exempt Entity to a Regulated Utility or
3 Transfer of a Utility in a Non-jurisdictional County to a Regulated Utility That Results in a
4 System Whose Service Transverses County Boundaries,” ~~which~~ is incorporated by reference
5 in this rule and ~~which~~ is available at [hyperlink]
6 <http://www.flrules.org/Gateway/reference.asp?No=Ref-06243>, Form PSC 1007 (06/26)
7 (~~12/15~~), entitled “Application for a Transfer of Majority Organizational Control of a
8 Regulated Utility,” ~~which~~ is incorporated by reference in this rule and ~~which~~ is available at
9 [hyperlink] <http://www.flrules.org/Gateway/reference.asp?No=Ref-06244>, and Form PSC
10 1008 (06/26) (~~12/15~~), entitled “Application for Transfer of Facilities from a Regulated Utility
11 to an Exempt Entity Other Than a Governmental Authority,” ~~which~~ is incorporated by
12 reference in this rule and ~~which~~ is available at [hyperlink]
13 <http://www.flrules.org/Gateway/reference.asp?No=Ref-06245>, are example applications that
14 may be completed by the applicant and filed with the Office of Commission Clerk to comply
15 with subsection (2), (3), (4), or (5); below, respectively. These forms may also be obtained
16 from the Commission’s website; at www.floridapsc.com.

17 ~~(2) Transfer of a regulated utility to another regulated utility.~~ Each applicant for
18 transfer of certificate of authorization, facilities or any portion thereof from a regulated utility
19 to another regulated utility must ~~shall~~ file with the Commission Clerk the information set forth
20 in paragraphs (a) through (v); below.

- 21 (a) A filing fee pursuant to paragraph 25-30.020(2)(c), F.A.C.;
- 22 (b) Proof of noticing pursuant to Rule 25-30.030, F.A.C.;
- 23 (c) The certificated name, address, telephone number, certificate number(s), authorized
24 representative, and, if available, the email address and fax number of the utility/seller;
- 25 (d) The complete name, address, telephone number, Federal Employer Identification

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1 Number, authorized representative and, if available, the email address and fax number of the
2 buyer(s) and the new name of the utility if the buyer plans to operate under a different name;

3 (e) The name, address, telephone number, and if available, the email address and fax
4 number of the person in possession of the books and records when the application is filed;

5 (f) The nature of the buyer's business organization, i.e., corporation, limited liability
6 company, partnership, limited partnership, sole proprietorship, or association. The buyer must
7 provide documentation from the Florida Department of State, Division of Corporations,
8 showing:

9 1. The utility's/buyer's business name and registration/document number for the
10 business, unless operating as a sole proprietor, and;

11 2. The utility's/buyer's fictitious name and registration number for the fictitious name,
12 if operating under a fictitious name;

13 (g) The name(s), address(es) and percentage of ownership of each entity or person that
14 owns or will own more than a 5 percent interest in the utility;

15 (h) The date and state of incorporation or organization of the buyer;

16 (i) A copy of the contract for sale and all auxiliary or supplemental agreements. If the
17 sale, assignment, or transfer occurs prior to Commission approval, the contract must ~~shall~~
18 include a provision stating that the contract is contingent upon Commission approval;

19 (j) The buyer must provide the following documentation of the terms of the transfer:

20 1. The date the closing occurred or will occur;

21 2. The purchase price and terms of payment;

22 3. A list of and the dollar amount of the assets purchased and liabilities assumed or not
23 assumed, including those of nonregulated operations or entities;

24 4. A description of all consideration between the parties, including promised salaries,
25 retainer fees, stock, stock options, and assumption of obligations;

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- 1 5. Provisions for the disposition, where applicable, of customer deposits and interest
2 thereon, guaranteed revenue contracts, developer agreements, customer advances, debt of the
3 utility, and leases;
- 4 6. A statement that the buyer will fulfill the commitments, obligations and
5 representations of the seller with regard to utility matters;
- 6 7. A statement that the buyer has or will obtain the books and records of the seller,
7 including all supporting documentation for rate base additions since the last time rate base was
8 established for the utility;
- 9 8. A statement that the utility's books and records will be maintained using the
10 ~~NARUC USOA 1996 National Association of Regulatory Utilities Commissioners (NARUC)~~
11 ~~Uniform System of Accounts (USOA)~~, incorporated by reference in Rule 25-30.115, F.A.C.;
12 and;
- 13 9. A statement that the utility's books and records will be maintained at the utility's
14 office(s) within Florida, or that the utility will comply with the requirements of paragraphs 25-
15 30.110(1)(b) and (c), F.A.C., regarding maintenance of utility records at another location or
16 out-of-state. If the records will be maintained at the utility's office(s), the statement should
17 include the location where the utility intends to maintain the books and records;
- 18 (k) A statement explaining why the transfer is in the public interest;
- 19 (l) To demonstrate the financial ability of the buyer to maintain and operate the
20 acquired utility, the buyer must ~~shall~~ provide:
- 21 1. A detailed financial statement (balance sheet and income statement), audited if
22 available, of the financial condition of the applicant, that shows all assets and liabilities of
23 every kind and character. The financial statements must ~~shall~~ be for the preceding calendar or
24 fiscal year. The financial statement must ~~shall~~ be prepared in accordance with Rule 25-30.115,
25 F.A.C. If available, a statement of the sources and uses of funds must ~~shall~~ also be provided;

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1 and;

2 2. A list of all entities, including affiliates, upon which the buyer is relying to provide
3 funding to the utility and an explanation of the manner and amount of such funding. The list
4 need not include any person or entity holding less than 5 percent ownership interest in the
5 utility. The applicant must ~~shall~~ provide copies of any financial agreements between the listed
6 entities and the utility and proof of the listed entities' ability to provide funding, such as
7 financial statements;

8 (m) To demonstrate the technical ability of the buyer to provide service, the buyer
9 must ~~shall~~ provide:

- 10 1. An explanation of the buyer's experience in the water or wastewater industry; and,
11 2. The buyer's plans for ensuring continued operation of the utility, such as retaining
12 the existing plant operator(s) and office personnel, or contracting with outside entities;

13 (n) A legal description of the proposed service area in the format prescribed in Rule
14 25-30.029, F.A.C.;

15 (o) The proposed net book value of the system as of the date of the proposed transfer,
16 and a statement setting out the reasons for the inclusion of an acquisition adjustment, if one is
17 requested. If rate base has been established by this Commission, the buyer must provide the
18 docket, ~~and the order number and. In addition, provide~~ a schedule of all subsequent changes to
19 rate base;

20 (p) A statement from the buyer that it has obtained or will obtain copies of all of the
21 federal income tax returns of the seller from the date the utility was first established or the rate
22 base was last established by the Commission, whichever is later. If the tax returns have not
23 been obtained, the buyer must provide a description of the steps taken to obtain the tax returns;

24 (q) A statement from the buyer that after reasonable investigation, the system being
25 acquired appears to be in satisfactory condition and in compliance with all applicable

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1 standards set by the Department of Environmental Protection (DEP) or, if the system is in
2 need of repair or improvement, has any outstanding Notice of Violation of any standard set by
3 the DEP or any outstanding consent orders with the DEP, the buyer must ~~shall~~ provide a
4 description of the repairs or improvements that have been identified, the governmental
5 authority that required the repairs or improvements, if applicable, the approximate cost to
6 complete the repairs or improvements, and any agreements between the seller and buyer
7 regarding who will be responsible for any identified repairs or improvements;

8 (r) The applicant must ~~shall~~ provide the following documents:

9 1. A copy of the utility's current permits from the DEP and the water management
10 district;

11 2. A copy of the most recent DEP and/or county health department sanitary survey,
12 compliance inspection report, and secondary standards drinking water report;

13 3. A copy of all of the utility's correspondence with the DEP, county health
14 department, and water management district, including consent orders and warning letters, and
15 the utility's responses to the same, for the past five years; and,

16 4. A copy of all customer complaints that the utility has received regarding DEP
17 secondary water quality standards during the past five years;

18 (s) Documentation of the utility's right to access and continued use of the land upon
19 which the utility treatment facilities are located. Documentation of continued use must ~~shall~~ be
20 in the form of a recorded warranty deed, recorded quit claim deed accompanied by title
21 insurance, recorded lease such as a 99-year lease, or recorded easement. To comply with this
22 requirement, ~~t~~The applicant may submit an unrecorded copy of the instrument granting the
23 utility's right to access and continued use of the land upon which the utility treatment facilities
24 are or will be located, provided that the applicant files a recorded copy within the time
25 required in the order granting the transfer;

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1 (t) A statement regarding the disposition of outstanding regulatory assessment fees,
2 fines, or refunds owed and which entity will be responsible for paying regulatory assessment
3 fees and filing the annual report for the year of the transfer and subsequent years;

4 (u) Tariff sheets reflecting any changes resulting from the transfer. Form PSC 1010
5 (06/26) ~~(12/15)~~, entitled “Water Tariff,” and Form PSC 1011 (06/26) ~~(12/15)~~, entitled
6 “Wastewater Tariff,” ~~which are~~ incorporated by reference in Rule 25-30.033, F.A.C., are
7 example tariffs that may be completed by the applicant and included in the application. These
8 forms are also available on the Commission’s website at, www.floridapsc.com; and,

9 (v) If the buyer owns other water or wastewater utilities that are regulated by the
10 Commission, provide a schedule reflecting any economies of scale that are anticipated to be
11 achieved within the next three years and the effect on rates for existing customers served by
12 both the utility being purchased and the buyer’s other utilities.

13 (3) For tTransfer of an exempt entity to a regulated utility, or transfer of a utility in a
14 nonjurisdictional county to a regulated utility that results in a system whose service
15 transverses county boundaries, ~~e~~Each applicant must ~~shall~~ file with the Commission the
16 information set forth in paragraphs (a) through (f); below:-

17 (a) A combined filing fee pursuant to paragraphs 25-30.020(2)(b) and (c), F.A.C.;

18 (b) Proof of noticing pursuant to Rule 25-30.030, F.A.C.;

19 (c) The requirements of paragraphs (2)(c); through ~~(d), (e), (f), (g), (h), (i), (j), (k), (l),~~
20 ~~(m), (n), (o), (p), (q), (r), (s), (t), (u), and (v)~~; above;

21 (d) The requirements of paragraphs 25-30.036(2)(h) and (i), F.A.C.;

22 (e) An explanation of when and under what authority the current rates and charges of
23 the exempt entity or utility in a nonjurisdictional county were established, if applicable; and,

24 (f) An explanation of how the seller is either exempt pursuant to Section 367.022, F.S.,
25 or is a utility in a nonjurisdictional county.

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1 ~~(4) A transfer of majority organizational control of a regulated utility.~~ Each applicant
2 for a transfer of majority organizational control must shall file with the Commission the
3 information set forth in paragraphs (a) through (d); below:-

4 (a) A filing fee pursuant to paragraph 25-30.020(2)(c), F.A.C.;

5 (b) Proof of noticing pursuant to Rule 25-30.030, F.A.C.;

6 (c) The requirements of paragraphs (2)(c), (d), (f), (i), (j), (k), (l), (m), (q), (t) and (u);
7 above; and;

8 (d) A description of the ownership transfer, including the date the transfer occurred or
9 will occur and a description of the resulting ownership interests in the utility.

10 ~~(5) A transfer of a regulated utility to an exempt entity other than a governmental~~
11 ~~authority.~~ Each applicant for a transfer of ownership of a regulated utility to an exempt entity
12 other than a governmental authority must shall file with the Commission Clerk the information
13 set forth in paragraphs (a) through (e); below:-

14 (a) A filing fee pursuant to paragraph 25-30.020(2)(c), F.A.C.;

15 (b) Proof of noticing pursuant to Rule 25-30.030, F.A.C.;

16 (c) The requirements of paragraphs (2)(c), (d), (k), (l), (m), and (r); above;

17 (d) Documentation of the following terms of the transfer:

18 1. A copy of the contract for sale and all auxiliary or supplemental agreements. If the
19 sale, assignment, or transfer occurs prior to Commission approval, the contract must shall
20 include a provision stating that the contract is contingent upon Commission approval;

21 2. The closing date;

22 3. A statement regarding the disposition of customer deposits and interest thereon; ~~and;~~

23 4. A statement regarding the disposition of any outstanding regulatory assessment fees,
24 fines, refunds, or annual reports; and;

25 (e) An explanation of how the buyer is exempt pursuant to Section 367.022, F.S.

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1 *Rulemaking Authority 350.127(2), 367.121, 367.1213 FS. Law Implemented 367.071,*
2 *367.1213 FS. History—New 1-27-91, Amended 11-30-93, 1-4-16, .*

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1 **25-30.0372 Alternative Procedure for Establishing Rate Base Value of Acquired**
2 **Utility System.**

3 (1) Definition. For the purposes of this rule, “Licensed Appraiser,” as referenced in
4 Section 367.0811(4)(a), F.S., means a person who meets all the following criteria:

5 (a) Has certification as an Accredited Senior Appraiser by the American Society of
6 Appraisers (ASA), designation as a Certified Valuation Analyst by the National Association of
7 Certified Valuators and Analysts (NACVA), ~~designation as a Certified Business Appraiser by~~
8 ~~the Institute of Business Appraisers (IBA)~~, or designation as Accredited in Business Valuation
9 by the American Institute of Certified Public Accountants (AICPA), and

10 (b) Is in good standing with the ASA, NACVA, ~~IBA~~, or AICPA.

11 (2) Appraisals.

12 (a) Each appraisal must assess the value of the utility system being acquired according
13 to its intended use.

14 (b) The Executive Director of the Florida Public Service Commission, or their
15 designee, will randomly select ~~choose~~ the three licensed appraisers from the list of licensed
16 appraisers referenced in paragraph (2)(d) of this rule using computationally-generated random
17 numbers. No two of the selected appraisers may be employed by the same entity.

18 (c) The licensed engineer who performs the engineering assessment required by
19 Section 367.0811(4)(b), F.S., may not also serve as a licensed appraiser on the same
20 acquisition transaction.

21 (d) The list of licensed appraisers required by Section 367.0811(4)(a), F.S., can be
22 found at www.floridapsc.com/appraiserlist or obtained from the Office of the Commission
23 Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee,
24 Florida 32399-0850.

25 (e) A licensed appraiser will be included on the Commission’s list of approved

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1 licensed appraisers by submitting all of the following by email to appraiserlist@psc.state.fl.us
2 or by mail to the Office of the Commission Clerk, Florida Public Service Commission, 2540
3 Shumard Oak Boulevard, Tallahassee, FL 32399-0850:

4 1. The licensed appraiser's name, mailing address, telephone number, and email
5 address;

6 2. The name of any company with which the licensed appraiser is employed or
7 associated; ~~and~~

8 3. Proof of the information required by subsection (1) above; ~~and~~

9 4. The expiration date of the certification or designation required by paragraph (1)(a)
10 above.

11 (f) It is the responsibility of the licensed appraiser to ensure that correct and updated
12 information remains on file with the Commission. The licensed appraiser must submit updated
13 information by email to appraiserlist@psc.state.fl.us, or by mail to the Office of the
14 Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard,
15 Tallahassee, FL 32399-0850, within 30 days of any change of information. If the Commission
16 determines that a person no longer meets the requirements to be a licensed appraiser on the
17 Commission's list, that person will be removed from the list. Upon request and upon
18 providing proof that the requirements listed in subsection (1) above are met, a person will be
19 added back to the list.

20 (g) The licensed appraiser can be removed from the list by submitting a request for
21 removal ~~in writing~~ by email to appraiserlist@psc.state.fl.us or by mail to the Office of the
22 Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard,
23 Tallahassee, FL 32399-0850.

24 (3) Petition. Section 367.0811(5), F.S., sets forth the filing requirements a petition to
25 establish the rate base value must contain.

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1 (a) The petition may be filed concurrent with the application to transfer the
2 certificate(s) of authorization, but must be filed no later than 6 months after the issuance of the
3 final order approving the transfer of the certificate(s) of authorization or the closing date of the
4 sale. Commission staff will review the petition and within 30 days of receipt of the petition
5 will notify the acquiring utility whether the petition is complete or identify the information
6 required by Section 367.0811(5), F.S., which is missing from the petition. If an amended
7 petition is filed, Commission staff will review the amended petition and within 30 days of
8 receipt of the amended petition will notify the acquiring utility whether the amended petition
9 is complete or identify the information required by Section 367.0811(5), F.S., which is
10 missing from the amended petition. This process will continue until Commission staff
11 determines the petition satisfies the requirements of Section 367.0811(5), F.S. The date a
12 petition is complete under Section 367.0811(6), F.S., is the date that all documents required by
13 Section 367.0811(6), F.S. have been filed.

14 (b) If the assessment of tangible assets required by Section 367.0811(4)(b), F.S.,
15 identifies deficiencies, the 3-year plan required by Section 367.0811(5)(d), F.S., must include
16 the following, if existing, regarding the system being acquired:

17 1. A copy of the most recent DEP and/or county health department sanitary survey,
18 compliance inspection report, primary and secondary standards drinking water report; and

19 2. A copy of all correspondence with the DEP, county health department, and water
20 management district, including consent orders and warning letters, and the utility's responses
21 to the same, for the past five years.

22 (c) Form PSC 1035 (03/24), entitled "Water and/or Wastewater Cumulative Present
23 Value of the Revenue Requirements for Alternate Rate Base Worksheet" (CPVRR), ~~which is~~
24 incorporated by reference in this rule and available at ~~may be obtained from~~
25 <http://www.flrules.org/Gateway/reference.asp?No=Ref-16589>, must be included in the

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1 petition to show the 5-year projected rate impact required by Section 367.0811(5)(e), F.S. The
2 form can also be found at www.floridapsc.com; or obtained from the Office of the
3 Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard,
4 Tallahassee, Florida 32399-0850.

5 (d) The 5-year rate impact required by Section 367.0811(5)(e), F.S., must also include
6 the following for each year for residential and general service customers, and the CPVRR
7 must support the projections for the following:

- 8 1. Base facility charge,
- 9 2. Gallonage charge, and
- 10 3. Billing determinants.

11 (e) The information filed under Section 367.0811(5)(e), F.S., must include the
12 acquiring utility's proposed journal entries anticipated to result from the acquisition, including
13 tax entries and account numbers in conformance with the ~~1996~~ NARUC USOA Uniform
14 System of Accounts, which is incorporated by reference in Rule 25-30.115, F.A.C.

15 (f) For purposes of determining whether the petition must include a rate stabilization
16 plan under Section 367.0811(5)(h), F.S., "significant individual increase in rates" means a rate
17 increase during any twelve consecutive months of the 5-year projected rate impact period that
18 is in excess of 15 percent over the current rates of the utility system being acquired.

19 (4) General filing instruction. Prepared direct testimony and exhibits for each witness
20 testifying on behalf of the acquiring utility must be filed at the time the petition is filed.

21 (5) Notice. At the time the petition is filed with the Commission, the acquiring utility
22 must provide a draft notice for review by Commission staff. Commission staff will review the
23 draft notice within 7 days. Once staff has approved the notice, the acquiring utility must
24 provide notice by U.S. Mail regular mail to the Office of Public Counsel and by either U.S.
25 Mail regular mail or personal service to each customer and owner of property located within

1 the service area for both the acquiring utility and the utility being acquired, to the extent the
2 utilities' customers are within the Commission's jurisdiction. The notice required by this rule
3 may be combined with the notice of Application for Authority to Transfer issued pursuant to
4 Rule 25-30.030, F.A.C., or for existing customers, the notice may be included in their next
5 bill. The notice must contain:

6 (a) Title: Notice of Utility's Petition to Establish Rate Base Value Using Alternative
7 Procedure;

8 (b) A statement that the utility has filed a petition with the Commission to establish
9 rate base value of acquired utility system using the alternative procedure set forth in Section
10 367.0811, F.S.;

11 (c) The date the petition was filed with the Commission;

12 (d) The docket number associated with the petition;

13 (e) A statement of the 5-year projected rate impact or the anticipated effect of the
14 requested rate base on rates for the next five years;

15 (f) A statement that the utility's petition is available on the Commission's website;

16 (g) The acquiring utility's address, telephone number, and business hours; and

17 (h) A statement that any customer substantially affected by the petition may file a
18 motion to intervene in accordance with Rule 28-106.205, F.A.C.

19 *Rulemaking Authority 367.0811(11), FS. Law Implemented 367.0811, FS. History—New 5-15-*
20 *24, Amended*.

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1 **25-30.110 Records and Reports; Annual Reports.**

2 (1) Records.

3 (a) Each utility must preserve its records in accordance with the National Association
4 of Regulatory Utility Commissioners “Regulations to Govern the Preservation of Records of
5 Electric, Gas and Water Utilities” ~~as issued by the National Association of Regulatory Utility~~
6 ~~Commissioners, as (revised October 2007), which is incorporated by reference into this rule.~~
7 “Regulations to Govern the Preservation of Records of Electric, Gas and Water Utilities” is
8 ~~copyrighted and~~ may be inspected and examined at no cost at the Florida Public Service
9 Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850 or at the
10 Florida Department of State, R.A. Gray Building, 500 South. Bronough Street, Tallahassee,
11 Florida 32399. A copy may also be purchased ~~obtained~~ from the NARUC Store at
12 www.naruc.org. ~~National Association of Regulatory Utility Commissioners, 1101 Vermont~~
13 ~~Avenue, N.W., Suite 200, Washington, D.C. 20005.~~

14 1. Those utilities that choose to convert documents from their original media form
15 must retain the original source documents as required by paragraph (1)(a) of this rule, for a
16 minimum of three years, or for any lesser period of time specified for that type of record in the
17 “Regulations to Govern the Preservation of Records of Electric, Gas and Water Utilities,” after
18 the date the document was created or received by the utility. This paragraph does not require
19 the utility to create paper copies of documents where the utility would not otherwise do so in
20 the ordinary course of its business. Upon a showing by a utility that it employs a storage and
21 retrieval system that consistently produces clear, readable copies that are substantially
22 equivalent to the originals, and clearly reproduces handwritten notations on documents, the
23 utility does not have to meet the requirement to retain documents in their original form.

24 2. The utility must maintain written procedures governing the conversion of source
25 documents to a storage and retrieval system, which procedures ensure the authenticity of

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1 documents and the completeness of records. Records maintained in the storage and retrieval
2 system must be easy to search and easy to read.

3 (b) Unless otherwise authorized by the Commission, each utility must maintain its
4 records at the office or offices of the utility within this state and must keep those records open
5 for inspection during business hours by Commission staff.

6 (c) Any utility that keeps its records outside the state must reimburse the Commission
7 for the reasonable travel expense incurred by each Commission representative during any
8 review of the out-of-state records of the utility or its affiliates. Reasonable travel expenses are
9 those travel expenses that are equivalent to travel expenses paid by the Commission in the
10 ordinary course of its business.

11 1. The utility must remit reimbursement for out-of-state travel expenses within 30 days
12 from the date the Commission mails the invoice.

13 2. The reimbursement requirement in paragraph (1)(c) is not applicable for the
14 following:

15 a. A utility that makes its out-of-state records available at the utility's office located in
16 Florida or at another mutually agreed upon location in Florida within 10 working days from
17 the Commission's initial request. If 10 working days is not reasonable because of the
18 complexity and nature of the issues involved or the volume and type of material requested, the
19 Commission will establish a different time frame for the utility to bring records into the state.
20 For individual data requests made during an audit, the response time frame established in Rule
21 25-30.145, F.A.C., will control; or

22 b. A utility whose records are located within 50 miles of the Florida state line.

23 (2) In General. Each utility must furnish to the Commission the results of any required
24 tests and summaries of any required records. The utility must also furnish the Commission
25 with any information concerning the utility's facilities or operation that the Commission

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1 requests and requires for determining rates or judging the practices of the utility. All such data,
2 unless otherwise specified, must be consistent with and reconcilable with the utility's annual
3 report to the Commission.

4 (3) Annual Reports: Filing Extensions. Each utility must file with the Commission
5 annual reports on the applicable form in subsection (4) of this rule. The obligation to file an
6 annual report for any year will apply to any utility which is subject to this Commission's
7 jurisdiction as of December 31 of that year, whether or not the utility has actually applied for
8 or been issued a certificate.

9 (a) The Commission will, by January 15 of each year, email a blank copy of the
10 appropriate annual report form to each utility company. A utility may request a hard copy of
11 the forms in subsection (4) of this rule from the Commission's Division of Accounting and
12 Finance. The failure of a utility to receive a report form will not excuse the utility from its
13 obligation to timely file the annual report. The annual reports must be filed with the
14 Commission, either by mail or by email, on or before March 31 for the preceding year ending
15 December 31. Annual reports filed by email must be sent to AnnualReport@psc.state.fl.us.
16 Annual reports filed by mail must be sent to the Florida Public Service Commission, Division
17 of Accounting and Finance, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850. ~~to~~
18 ~~the Commission's Division of Accounting and Finance in Tallahassee.~~

19 (b) Annual reports are considered filed if they are properly addressed and emailed or
20 mailed with sufficient postage and postmarked; by no later than the due date. For annual
21 reports sent by registered mail, the date of the registration is the postmark date. For annual
22 reports sent by certified mail, the date on the receipt is the postmark date. The postmark is
23 evidence that an annual report was mailed delivered. ~~However,~~ If a utility's annual report is
24 not ~~actually~~ received by the Commission's Division of Accounting and Finance in
25 Tallahassee, that utility must resend it upon request, despite any ~~prior~~ presumption of delivery.

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1 (c) A utility may file a written request for an extension of time to file its annual report
2 with the Commission's Division of Accounting and Finance no later than March 31. One
3 extension of 30 days will be automatically granted upon request. A request for a longer
4 extension must be accompanied by a statement of good cause, such as financial hardship,
5 severe illness, or significant weather events such as hurricanes, but good cause does not
6 include reasons such as management oversight or vacation time, and must specify the date by
7 which the report will be filed.

8 (4) Annual Reports; Contents. The appropriate annual report form required from each
9 utility will be determined by using the same three classes of utilities used by the National
10 Association of Regulatory Utility Commissioners ~~for publishing its system of accounts~~: Class
11 A (those having annual water or wastewater operating revenues of \$1,750,000 ~~\$1,000,000~~ or
12 more); Class B (those having annual water or wastewater revenues of \$350,000 ~~\$200,000~~, or
13 more, but less than \$1,750,000 ~~\$1,000,000~~); and Class C (those having annual water or
14 wastewater revenues of less than \$350,000 ~~\$200,000~~). The class to which a utility belongs will
15 be determined by using the higher of the average of its annual water or wastewater operating
16 revenues for each of the last three preceding years.

17 (a) Class A and B utilities must file the annual report on Commission Form PSC-1032
18 ~~(06/26) (5/22)~~, entitled "Class A or B Water and/or Wastewater Utilities (Gross Revenues of
19 \$350,000 ~~\$200,000~~ and more)," which is incorporated by reference into this rule and available
20 ~~at may be obtained from~~ [hyperlink] [http://www.flrules.org/Gateway/reference.asp?No=Ref-](http://www.flrules.org/Gateway/reference.asp?No=Ref-15172)
21 [15172](http://www.flrules.org/Gateway/reference.asp?No=Ref-15172).

22 (b) Class C utilities must file the annual report on Commission Form PSC 1033
23 ~~(06/26) (5/22)~~, entitled "Class C Water and/or Wastewater Utilities (Gross Revenues of less
24 than \$350,000 ~~\$200,000~~ each)," which is incorporated by reference into this rule and available
25 ~~at may be obtained from~~ [hyperlink] [http://www.flrules.org/Gateway/reference.asp?No=Ref-](http://www.flrules.org/Gateway/reference.asp?No=Ref-15172)

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1 [15174](#).

2 (c) The foregoing forms can be obtained from the Commission's Division of
3 Accounting and Finance.

4 (5) As part of the annual report, each utility must verify the following in writing by the
5 utility's chief executive officer and chief financial officer:

6 (a) Whether the utility is in substantial compliance with the NARUC USOA, Uniform
7 ~~System of Accounts as prescribed by~~ incorporated by reference in Rule 25-30.115, F.A.C.;

8 (b) Whether the utility is in substantial compliance with all applicable rules and orders
9 of the Florida Public Service Commission;

10 (c) Whether there have been any written communications from regulatory agencies
11 concerning noncompliance with, or deficiencies in, financial reporting practices that could
12 have a material effect on the financial statements;

13 (d) Whether the financial statements and related schedules fairly present the financial
14 condition and results of operations for the period presented and whether other information and
15 statements presented as to the business affairs of the respondent are true, correct, and complete
16 for the period which they represent.

17 (6) Delinquent Reports.

18 (a) Any utility that fails to file its annual report or extension on or before March 31, or
19 within the time specified by any extension approved in writing by the Commission's Division
20 of Accounting and Finance, will be subject to a penalty. The penalty will be based on the
21 number of calendar days elapsed from March 31, or from an approved extended filing date,
22 until the date of filing. The date of filing will be included in the days elapsed.

23 (b) The penalty for delinquent reports will accrue based on the utility's classification
24 established under subsection (4) of this rule, in the following manner for each day the report is
25 delinquent:

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1 1. \$25.00 per day for Class A utilities;

2 2. \$13.50 per day for Class B utilities; and,

3 3. \$3.00 per day for Class C utilities.

4 (c) If a utility does not timely file its annual report, in addition to the penalty

5 determined by paragraph (6)(b) of this rule, interest on the penalty will also be assessed from

6 the date the annual report was due, up to and including the date the penalty is paid. Such

7 interest is based on the AA non-financial 30-day commercial paper rate published by the

8 Board of Governors of the Federal Reserve System on its website. Interest will be

9 compounded monthly.

10 (7) Incomplete Reports.

11 (a) The Commission's Division of Accounting and Finance will provide written

12 notification to a utility if its report does not contain information required by subsection (4) of

13 this rule. The utility must file the missing information no later than 30 days after the date on

14 the face of the notification. If the utility fails to file the information within that period, the

15 report will be deemed delinquent and the utility will be subject to a penalty as provided under

16 paragraphs (6)(a) and (b) of this rule, except that the penalty will be based on the number of

17 days elapsed from the date the information is due to the date it is actually filed. The date of

18 filing will be included in the elapsed days.

19 (b) A report is incomplete if any of the schedules required by the following forms of

20 this rule are not completed:

21 1. Form PSC 1032 (06/26) ~~(5/22)~~ for Class A and B utilities;

22 2. Form PSC 1033 (06/26) ~~(5/22)~~ for Class C utilities.

23 (c) An incomplete report will remain incomplete until the missing information is filed

24 with the Commission's Division of Accounting and Finance on the appropriate Commission

25 form.

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1 (8) Incorrect Filing. If a utility files an incorrect annual report it will be considered
2 delinquent and subject to a penalty on the same basis as a utility that fails to timely file an
3 annual report. The classification determining the applicable penalty, as prescribed by
4 paragraphs (6)(a) and (b) of this rule, will be determined by the latest annual revenue figures
5 available for the utility. The failure of a utility to receive a report form for the correct class of
6 utility will not excuse the utility from its obligation to timely file the annual report for the
7 correct class of utility.

8 *Rulemaking Authority 350.127(2), 367.121 FS. Law Implemented 367.121, 367.156(1),*
9 *367.161 FS. History—New 9-12-74, Amended 1-18-83, 2-25-85, 10-27-85, Formerly 25-10.25,*
10 *25-10.025, Amended 11-10-86, 12-22-86, 3-11-91, 11-13-95, 5-1-96, 12-14-99, 2-15-23, _____.*

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1 capitalized.

2 3. The cost of incidental repairs that neither materially add to the value of the property
3 nor appreciably prolong its life and that were made to keep the property in an ordinary
4 efficient operating condition must ~~shall~~ be accounted for as a maintenance expense.

5 (h) Cost of removal – The cost of demolishing, dismantling, tearing down or otherwise
6 removing utility plant, including the cost of transportation and handling incidental thereto.

7 (i) Continuing Property Record (CPR) – A perpetual collection of records required by
8 the NARUC USOA, incorporated by reference in Rule 25-30.115, F.A.C., Uniform System of
9 ~~Accounts~~ showing the detailed original costs, quantities, and locations of plant in service.
10 Generally, a CPR should contain 1) an inventory of property record units which can be readily
11 checked for proof of physical existence, 2) the association of costs with such property record
12 units to ensure accurate accounting for retirements, and 3) the dates of installation and
13 removal of plant to provide data for use in connection with depreciation studies.

14 (j) Depreciation – As applied to depreciable utility plant, the loss in service value not
15 restored by current maintenance incurred in connection with the consumption or prospective
16 retirement of utility plant in the course of service from causes that are known to be in current
17 operation and against which the utility is not protected by insurance. Among the causes to be
18 given consideration are wear and tear, decay, action of the elements, inadequacy,
19 obsolescence, changes in the art, changes in demand and requirements of public authorities.
20 The intent of depreciation per this rule is to provide for recovery of invested capital and to
21 match this recovery as nearly as possible to the useful life of the depreciable investment.

22 (k) Depreciation Accounting – The process of charging the book cost of depreciable
23 property, adjusted for net salvage, to operations over the associated useful life.

24 (l) Depreciation Expense – The periodic charge to expense to allocate the original cost
25 of a depreciable group of assets over the life of those assets.

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1 (m) Depreciable Group – A homogeneous grouping of assets expected to experience
 2 similar life and salvage patterns. Unless otherwise ordered by the Commission, depreciable
 3 groups are the accounts defined in the NARUC USOA, ~~Uniform System of Accounts~~ adopted
 4 ~~by~~ incorporated by reference in Rule 25-30.115, F.A.C.

5 Water	Wastewater
6 Source of Supply	Collection Plant
7 (Accounts 304 to 311 and 339)	(Accounts 354, 355 and 360 to 367)
8	Pumping Plant
9	(Accounts 354, 355, 370, 371)
10 Water Treatment Plant	Treatment & Disposal Plant
11 (Accounts 304, 310, 311, 320, and 339)	(Accounts 354 and 380 to 389)
12	Reclaimed Water Treatment Plant
13 Transmission & Distribution Plant	(Accounts 354, 355, 371, 374, 380, 381,
14	389)
15 (Accounts 304, 310, 311 and 330 to 339)	Reclaimed Water Distribution Plant
16 General Plant	(Accounts 354, 355, 366, 367, 371, 375,
17	389)
18 (Accounts 304 and 340 to 348)	General Plant
19	(Accounts 354 and 390 to 398)

21 (n) Function – defined as follows:

22 (o) Group Depreciation – An accounting procedure under which depreciation charges
 23 are accrued on the basis of the original cost of all property included in each depreciable group.
 24 Under the group concept, no attempt is made to keep track of the accumulated provision for
 25 depreciation applicable to individual assets of property, in view of the many items making up

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1 a utility system. The group approach recognizes that some assets within the group may live
2 longer or shorter than the average life of the group but the group is expected to live the
3 average service life. Every item in the group is assumed to be fully depreciated at retirement.

4 (p) Mortality Data – See plant activity data.

5 (q) Net Salvage – The salvage value of property retired less the cost of removal. This is
6 expressed as a percent of retirements in the depreciation rate formula.

7 (r) Original Cost – The cost of acquiring an asset and placing it into service for first
8 utility use. This includes the direct costs of acquiring the asset and the cost of labor, materials,
9 and associated costs of installation to prepare the asset for first utility use. The cost is used in
10 the computation of depreciation expense. In the event that an asset is acquired that is already
11 in public service, the original historic cost of the asset should be recorded in plant in service,
12 and the historic accumulated depreciation should be charged to the accumulated depreciation
13 account. In the event the historic cost of an asset that is already in utility service cannot be
14 determined, an independent engineer’s evaluation based on an original cost study may be
15 used.

16 (s) Plant Activity Data – Annual additions, retirements, adjustments or transfers, sales
17 or purchases, and investment balances at end of year.

18 (t) Property Retired – As applied to utility plant, property that has been removed, sold,
19 abandoned, destroyed or which has been withdrawn from service for any cause.

20 (u) Remaining Life Depreciation Rate – The depreciation rate based on the average
21 remaining portion of the service life expected to be experienced by the investment or account
22 in question and on the net unrecovered capital for that investment or account.

$$23 \quad \text{R.L. Rate} = \frac{100\% - \text{Accumulated Reserve \%} - \text{Future Net Salvage \%}}{24 \quad \text{Average Remaining Life}}$$

25 The average remaining life for an account or sub-account is a function of known planned

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1 retirement or of the average age of that account and its appropriate mortality table.

2 (v) Replacing or Replacement – The construction or installation of utility plant in place
3 of property retired, together with the removal of the property retired.

4 (w) Reserve – The accumulated provision for depreciation. The accumulated
5 depreciation reserve is the net of depreciation accruals (expenses) and retired investment with
6 related gross salvage and cost of removal as well as any appropriate adjustments or transfers.

7 (x) Reserve Activity Data – Annual depreciation expense, retirements, transfers or
8 adjustments, gross salvage realized, cost of removal, and end of year balance for the
9 accumulated provision for depreciation.

10 (y) Retirement Units – Those items of utility plant which, when retired with or without
11 replacement, are accounted for by crediting the book cost to the utility plant account in which
12 it is included.

13 (z) Salvage Value – The amount received for property retired, less any expenses
14 incurred in connection with the sale or in preparing the property for sale or, if retained, the
15 amount at which the material recoverable is chargeable to materials and supplies or other
16 appropriate account.

17 (aa) Straight-Line Method – A depreciation method by which the service value of a
18 depreciable group is charged to depreciation expense (or a clearing account) and credited to
19 the accumulated provision for depreciation account through equal annual charges over the
20 service life of the group.

21 (bb) Unit Depreciation – An accounting procedure under which the original cost,
22 depreciation expense, and accumulated provision for depreciation, and all associated activity
23 are maintained for each individual asset. Service life and salvage parameters are estimated for
24 each individual asset with a depreciation rate designed to recover each asset's original cost
25 over its related life. If the asset lives longer than its expected life, depreciation expense stops

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1 accruing when the asset is fully recovered. If the asset retires earlier than its expected service
 2 life, the associated unrecovered amount is immediately written-off as a loss.

3 (cc) Unrecovered Amount – Original cost less the accumulated provision for
 4 depreciation less expected net salvage.

5 (2) The average service life and salvage components for each class of utility are as
 6 follows:

7 (a) Water System Guideline Average Service Lives.

8		Large	Small	Small	
9		Utility	Utility	Utility	
10		(Class	(Class	Function	Net
11	Account	A&B)	C)	Composite ³	Salvage % ⁴
12	1. Intangible Plant				
13	351	Organization	40	40	
14	352	Franchise Cost	40 ⁵	40 ⁵	
15	2. Source of			28	
16	Supply				
17	304	Structures & Improvements	32 ¹	27 ¹	
18		Wood	28	25	
19		Masonry	30	27	
20		Reinforced Concrete	40	37	
21		Steel Building	40	35	
22		Tanks or Sheds	25	20	
23		Fiberglass	20	18	
24	305	Collecting and Impounding	50	40	
25		Reservoirs			

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Date: May 20, 2026

1	306	Lake, River and Other Intakes	40	40		
2	307	Wells and Springs				
3		Drilled & Cased Well	30	27		
4		(Floridan or Non-Corrosive)				
5		Shallow Well (Sand	20	18		
6		Aquifer or Corrosive				
7		Water)				
8	308	Infiltration Galleries				
9		and Tunnels	40	N/A		
10	309	Supply Mains	35	32		
11	310	Power Generation Equipment	20	17		
12	311	Pumping Equipment	20 ¹	17 ¹		
13		Pumping Equipment Electric	20	15		
14		Pumping Equipment	8	6		
15		Chemical				
16	339	Other Miscellaneous	18	15		
17		Equipment				
18	3. Water				21	
19	Treatment Plant					
20	304	Structures and				
21		Improvements (see				
22		“Source of Supply”				
23		for subcategory lives)	32 ¹	27 ¹		
24	310	Power Generation Equipment	20	17		
25	311	Pumping Equipment	20 ¹	17 ¹		

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Date: May 20, 2026

1		Pumping Equipment-Electric	20	15		
2		Pumping Equipment-	8	6		
3		Chemical				
4	320	Water Treatment Equipment	22 ¹	17 ¹		
5		Chlorination Equipment	10	7		
6		Membrane Elements	5	5		
7		Other Mechanical Equipment	25	20		
8	339	Other Miscellaneous	18	15		
9		Equipment				
10	4. Transmission &				36	
11	Distribution Plant					
12	304	Structures &				
13		Improvements (See				
14		“Source of Supply”				
15		for subcategory lives)	32 ¹	27 ¹		
16	310	Power Generation Equipment	20	17		
17	311	Pumping Equipment	20 ¹	17 ¹		
18		Pumping Equipment –	20	15		
19		Electric				
20		Pumping Equipment –	8	6		
21		Chemical				
22	330	Distribution				
23		Reservoirs & Stand				
24		Pipes	37 ¹	33 ¹		
25		Steel Pneumatic Tank	35	30		

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Date: May 20, 2026

1		Concrete Ground				
2		Storage Reservoir	40	37		
3	331	Transmission & Distribution	43 ¹	38 ¹		
4		Mains				
5		Galvanized Steel pipe &	35	33		
6		Fittings				
7		Black Steel Pipe	20	18		
8		Plastic Pipe ²	45	40		
9		Asbestos – Cement	40	35		
10		Cast Iron or Ductile Iron	40	35		
11		Valves & Valve Boxes	25	20		
12		Fire Mains	33	30		
13	333	Services ²	40	35		
14	334	Meters and Meter Installations	20	17		
15	335	Hydrants	45	40		
16	336	Backflow Prevention Devices	15	10		
17	339	Other Plant and Miscellaneous				
18		Equipment	25	20		
19	5. General Plant					
20	304	Structures & Improvements	40 ¹	35 ¹		
21		Wood Building	35	30		
22		Masonry Building	40	35		
23		Reinforced Concrete Building	40	37		
24		Steel Building	40	35		
25		Tanks or Sheds	25	20		

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Date: May 20, 2026

1	340	Office Furniture & Equipment	15	15		
2		Computers	6	6		
3	341	Transportation Equipment	6	6		10
4	342	Stores Equipment	18	N/A	14	
5					(composite	
6					of 342-348)	
7	343	Tools, Shop & Garage	16	15		
8		Equipment				
9	344	Laboratory Equipment	15	N/A		
10	345	Power Operated Equipment	12	10		5
11	346	Communication Equipment	10	N/A		10
12	347	Miscellaneous Equipment	15	N/A		
13	348	Other Tangible Plant	10	10		

14

15 (b) Wastewater System Guideline Average Services Lives.

16			Large	Small	Small	
17			Utility	Utility	Utility	
18			(Class	(Class	Function	Net
19	Account	Description	A&B)	C)	Composite ³	Salvage % ⁴
20	1. Intangible Plant					
21	351	Organization	40	40		
22	352	Franchise Cost	40 ⁵	40 ⁵		
23	2. Collection				35	
24	System					
25	354	Structures &				

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Date: May 20, 2026

1		Improvements Above				
2		Grade	32 ¹	27 ¹		
3		Wood	28	25		
4		Masonry	30	27		
5		Reinforced Concrete	38	35		
6		Steel Below Grade	25	22		
7		Concrete	35	32		
8		Steel	22	20		
9		Lift Stations	25	22		
10	355	Power Generation Equipment	20	17		
11	360	Collection Sewers-Force ²	30 ¹	27 ¹		
12						
13	361	Collection Sewers-Gravity ²	45	40		
14		Manholes	30	27		
15	362	Special Collecting	40	37		
16		Structures				
17	363	Services to Customers ²	38	35		
18	364	Flow Measuring Devices	5	5		
19	365	Flow Measuring Installations	38	35		
20	389	Other Miscellaneous	18	15		
21		Equipment				
22	3.	Pumping Plant			18	
23	354	Structures & Improvements	32 ¹	27 ¹		
24	355	Power Generating Equipment	20	17		
25	370	Receiving Wells	30	25		

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1	371	Pumping Equipment	18	15		
2		Pumping Equipment –	18	15		
3		Electric				
4		Pumping Equipment –	7	5		
5		Chemical				
6	389	Other Miscellaneous	18	15		
7		Equipment				
8	4. Treatment and				18	
9	Disposal Plant					
10	354	Structures &				
11		Improvements (see				
12		“Collection System”				
13		for subcategory lives)	32 ¹	27 ¹		
14	355	Power Generating Equipment	20	17		
15	371	Pumping Equipment	18 ¹	15 ¹		
16		Pumping Equipment –	18	15		
17		Electric				
18		Pumping Equipment –	7	5		
19		Chemical				
20	380	Treatment & Disposal	18 ¹	15 ¹		
21		Equipment				
22		Blowers, Motors,				
23		Pumps Electric				
24		Controls	15	12		
25		Chlorination Equipment	10	7		

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Date: May 20, 2026

1		Other Mechanical Equipment	23	18		
2	381	Plant Sewers	35	32		
3	382	Outfall Sewer Lines	30	30		
4	389	Other Plant and				
5		Miscellaneous Equipment	18	15		
6	5. Reclaimed Water				21	
7	Treatment Plant					
8	354	Structures & Improvements	32 ¹	27 ¹		
9		(see "Collection System" for				
10		subcategory lives)				
11	355	Power Generating Equipment	20	17		
12	371	Pumping Equipment	18 ¹	15 ¹		
13		Pumping Equipment –	18	15		
14		Electric				
15		Pumping Equipment –	7	5		
16		Chemical				
17	374	Reuse Distribution				
18		Reservoirs	37 ¹	33 ¹		
19		Steel Pneumatic Tank	35	30		
20		Concrete Ground Storage	40	37		
21		Reservoir				
22	380	Treatment & Disposal	18 ¹	15 ¹		
23		Equipment				
24		Blowers, Motors, Pumps,	15	12		
25		Electric Controls				

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Date: May 20, 2026

1		Chlorination Equipment	10	7		
2		Other Mechanical Equipment	23	18		
3	381	Plant Sewers	35	32		
4	389	Other Plant and	18	15		
5		Miscellaneous Equipment				
6	6. Reclaimed				36	
7	Water					
8	Distribution Plant					
9	354	Structures & Improvements	32 ¹	27 ¹		
10		(see "Collection System" for				
11		subcategory lives)				
12	355	Power Generating Equipment	20	17		
13	366	Reuse Services	40	35		
14	367	Reuse Meters and Meter	20	17		
15		Installation				
16	371	Pumping Equipment	18 ¹	15 ¹		
17		Pumping Equipment –	18 ¹	15		
18		Electric				
19		Pumping Equipment –	7	5		
20		Chemical				
21	375	Reuse Transmission &	43 ¹	38 ¹		
22		Distribution System				
23		Plastic Pipe ²	45	40		
24		Valves & Valve Boxes	25	20		
25		Fire Mains	33	30		

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Date: May 20, 2026

1	389	Other Plant and	18	15		
2		Miscellaneous Equipment				
3	7. General Plant					
4	354	Structures & Improvements	40 ¹	35 ¹		
5		Reinforced Concrete Building	45	40		
6		Masonry Building	40	35		
7		Wood Building	35	30		
8		Steel Building	40	35		
9		Tanks or Sheds	25	20		
10	390	Office Furniture &	15	15		
11		Equipment				
12		Computers	6	6		
13	391	Transportation Equipment	6	6		10
14	392	Stores Equipment	18	N/A	14	
15					(composite	
16					of 392-398)	
17	393	Tools, Shop & Garage	16	15		
18		Equipment				
19	394	Laboratory Equipment	15	N/A		
20	395	Power Operated Equipment	12	10		5
21	396	Communication Equipment	10	N/A		10
22	397	Miscellaneous Equipment	15	N/A		
23	398	Other Tangible Plant	10	10		

(c) For the purposes of paragraphs (2)(a) and (b), the following apply:

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- 1 1. ¹ Denotes composite life.
- 2 2. ² Plastic pipe footnote – assumes use of AWWA standard pipe only. Assumes
3 AWWA DR18 used for all mains of 6" or more.
- 4 3. ³ To be used only when acceptable company plant balances are not available for
5 developing composites using account lives.
- 6 4. ⁴ Net Salvage zero except as indicated.
- 7 5. ⁵ Franchise costs must ~~shall~~ be amortized over a period of 40 years unless a specific
8 time period is designated in the utility franchise agreement.
- 9 (3)(a) Average service life depreciation rates based on guideline lives and salvages
10 must ~~shall~~ be used in any Commission proceeding in which depreciation rates are addressed,
11 except for those utilities using depreciation rates in accordance with the requirements listed in
12 subsections (6) and (7) of this rule. A utility must ~~shall~~ also implement the applicable
13 guideline rates for any new plant to be placed in service.
- 14 (b) A utility may implement applicable guideline rates without specific approval by the
15 Commission. Guideline rates, if implemented for any account, must be implemented for all
16 accounts. If a utility implements applicable guideline rates outside of a rate proceeding, the
17 utility must ~~shall~~ provide written notification to the Director of Economics within 30 days of
18 such implementation.
- 19 (c) If guideline depreciation rates have been implemented, the rates must ~~shall~~ not be
20 changed unless approved by the Commission.
- 21 (4)(a) All Class A and B utilities must ~~shall~~ maintain depreciation rates and reserve
22 activity data by account as prescribed by this Commission.
- 23 (b) All Class C utilities must ~~shall~~ maintain depreciation rates and reserve activity data
24 by total depreciable plant, function or account as prescribed by this Commission.
- 25 (5) Computation of depreciation expense. Regulatory book depreciation expense must

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1 ~~shall~~ be computed on a monthly basis in conformity with group depreciation accounting
2 procedures.

3 (6)(a) At the time a utility applies for a change in its revenue rates and charges, it may
4 also petition for average service life depreciation rates different from those in the above
5 schedule if it can justify the service lives that the utility is proposing in lieu of the guideline
6 lives. That justification should be in the form of historic data, technical information or utility
7 planning for the affected accounts or sub-accounts. Common causes of need for different
8 depreciation rates include composition of account, adverse environmental conditions, high
9 growth or regulatory changes.

10 (b) A utility filing for such a revision of depreciation rates must ~~shall~~ submit six copies
11 of the filing to the office of the Office of Commission Clerk.

12 (c) For each account or function of depreciable plant addressed in the filing, the
13 following must ~~shall~~ be included:

14 1. A comparison of current and proposed depreciation rates and service lives. The
15 proposed effective date of the new rates must ~~shall~~ be identified.

16 2. A comparison of depreciation expenses resulting from current rates with those
17 produced by the proposed rates. Plant balances used in this calculation must ~~shall~~ be those as
18 of the effective date of the proposed rates.

19 3. A general narrative defining the service environment of the applicant utility and the
20 factors (e.g., composition of account, growth, environmental conditions, regulatory changes)
21 leading to the present application for a revision in rates in the affected accounts.

22 4. Any statistics, data, analyses or calculations used in the development of the
23 proposed average service lives.

24 (7)(a) A Class A, B, or C utility may apply for guidelines for a proposal for
25 implementation of remaining life depreciation rates if the utility has maintained both plant

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1 activity data by account and accumulated provision for depreciation (reserve) data by account,
2 function or total depreciable plant generally in accord with the Uniform System of Accounts
3 for either at least ten years or since the inception of the utility, whichever is less.

4 (b) To provide time for study development, any application for remaining life
5 guidelines should be submitted at least six months before the filing for a test year in
6 connection with a request for a revenue rate increase.

7 (8) Prior to the date of retirement of major installations, the Commission may approve
8 capital recovery schedules to correct associated calculated deficiencies in recovery where a
9 utility demonstrates that retirement of the installation or group of installations is prudent and
10 the associated investment will not be recovered by the time of retirement through the normal
11 depreciation process.

12 (9)(a) Beginning with the year ending December 31, 2003, all Class A and B utilities
13 must shall maintain separate sub-accounts for: (1) each type of Contributions-in-Aid-of-
14 Construction (CIAC) charge collected including, but not limited to, plant capacity, meter
15 installation, main extension or system capacity; (2) contributed plant; (3) contributed lines;
16 and (4) other contributed plant not mentioned previously. Establishing balances for each new
17 sub-account may require an allocation based upon historical balances. Each CIAC sub-account
18 must shall be amortized in the same manner that the related contributed plant is depreciated.
19 Separate sub-accounts for accumulated amortization of CIAC must shall be maintained to
20 correspond to each sub-account for CIAC.

21 (b) Beginning with the year ending December 31, 2003, for Class C utilities, where
22 adequate CIAC records are maintained in sub-accounts, by type of charge or contributed plant,
23 CIAC amortization rates must shall be applied separately to each sub-account. Where CIAC
24 records are not kept by sub-account, a composite depreciation rate for total plant, excluding
25 general plant, must shall be applied to the entire CIAC account.

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1 (c) Any composite rate used must ~~shall~~ be recalculated each year based on the
2 applicable plant balances and depreciation rates.
3 *Rulemaking Authority 350.127(2), 367.121(1) FS. Law Implemented 350.115, 367.081(2),*
4 *367.121(1) FS. History—New 3-22-84, Formerly 25-10.32, 25-10.032, Amended 11-10-86, 5-8-*
5 *88, 11-21-95, 12-4-03, 5-29-08, _____.*

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1 **25-30.433 Rate Case Proceedings.**

2 In a rate case proceeding, the following provisions ~~shall~~ apply:-

3 (1) The Commission in every rate case will ~~shall~~ make a determination of the quality
4 of service provided by the utility by evaluating the quality of utility's product (water) and the
5 utility's attempt to address customer satisfaction (water and wastewater). In making this
6 determination, the Commission will ~~shall~~ consider:

7 (a) The most recent chemical analyses for each water system as described in paragraph
8 25-30.437(3)(c), F.A.C.;

9 (b) Any Department of Environmental Protection (DEP) and county health department
10 citations, violations and provisions of consent orders that relate to quality of service;

11 (c) Any DEP and county health department officials' testimony concerning quality of
12 service;

13 (d) Any testimony, complaints and comments of the utility's customers and others with
14 knowledge of the utility's quality of service; and

15 (e) Any utility testimony and responses to the information provided in paragraphs
16 (1)(a)-(d); above.

17 (2) In order to ensure safe, efficient, and sufficient service to utility customers, the
18 Commission will ~~shall~~ consider whether the infrastructure and operational conditions of the
19 plant and facilities are in compliance with Rule 25-30.225, F.A.C. In making this
20 determination, the Commission will ~~shall~~ consider:

21 (a) Any testimony of DEP and county health department officials;

22 (b) Inspections, including sanitary surveys for water systems and compliance
23 evaluation inspections for wastewater systems; and citations, violations and consent orders
24 issued to the utility;

25 (c) Any testimony, complaints and comments of the utility's customers and others with

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1 knowledge of the infrastructure and operational conditions of the utility's plant and facilities;
2 and,

3 (d) Any utility testimony and responses to the information provided in paragraphs
4 (2)(a)-(c), above.

5 (3) Working capital for Class A utilities must ~~shall~~ be calculated using the balance
6 sheet approach. Working capital for Class B and C utilities must ~~shall~~ be calculated using the
7 formula method (one-eighth of operation and maintenance expenses).

8 (4) Used and useful debit deferred taxes must ~~shall~~ be offset against used and useful
9 credit deferred taxes in the capital structure. Any resulting net debit deferred taxes must ~~shall~~
10 be included as a separate line item in the rate base calculation. Any resulting net credit
11 deferred taxes must ~~shall~~ be included in the capital structure calculation. No other deferred
12 debits must ~~shall~~ be considered in rate base when the formula method of working capital is
13 used.

14 (5) The averaging method used by the Commission to calculate rate base and cost of
15 capital will ~~shall~~ be a 13-month average for Class A utilities and the simple beginning and
16 end-of-year average for Class B and C utilities.

17 (6) Non-used and useful adjustments will ~~shall~~ be applied to the applicable
18 depreciation expense. Property tax expense on non-used and useful plant will ~~shall~~ not be
19 allowed.

20 (7) Charitable contributions will ~~shall~~ not be recovered through rates.

21 (8) Income tax expense will ~~shall~~ not be allowed for subchapter S corporations,
22 partnerships or sole proprietorships.

23 (9) Non-recurring expenses will ~~shall~~ be amortized over a 5-year period unless a
24 shorter or longer period of time can be justified.

25 (10) The amortization period for forced abandonment or the prudent retirement, in

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1 accordance with the NARUC USOA, incorporated by reference in Rule 25-30.115, F.A.C.,
2 ~~National Association of Regulatory Utility Commissioners Uniform System of Accounts~~, of
3 plant assets prior to the end of their depreciable life will ~~shall~~ be calculated by taking the ratio
4 of the net loss (original cost less accumulated depreciation and contributions-in-aid-of-
5 construction (CIAC) plus accumulated amortization of CIAC plus any costs incurred to
6 remove the asset less any salvage value) to the sum of the annual depreciation expense, net of
7 amortization of CIAC, plus an amount equal to the rate of return that would have been allowed
8 on the net invested plant that would have been included in rate base before the abandonment
9 or retirement. This formula will ~~shall~~ be used unless the specific circumstances surrounding
10 the abandonment or retirement demonstrate a more appropriate amortization period.

11 (11) A utility is required to have the right of access and continued use of the land upon
12 which the utility treatment facilities are located. Documentation of continued use must ~~shall~~ be
13 in the form of a recorded warranty deed, recorded quit claim deed accompanied by title
14 insurance, recorded lease such as a 99-year lease, or recorded easement.

15 (12) In establishing an authorized rate of return on common equity, a utility, in lieu of
16 presenting evidence, may use the current leverage formula adopted by Commission order. The
17 equity return established must ~~shall~~ be based on the equity leverage order in effect at the time
18 the Commission decides the case.

19 (13) Nonutility investment should be removed directly from equity when reconciling
20 the capital structure to rate base unless the utility can show, through competent evidence, that
21 to do otherwise would result in a more equitable determination of the cost of capital for
22 regulatory purposes.

23 (14) Interest expense to be included in the calculation of income tax expense must
24 ~~shall~~ be the amount derived by multiplying the amount of the debt components of the
25 reconciled capital structure times the average weighted cost of the respective debt

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1 components. Interest expense must ~~shall~~ include an amount for the parent debt adjustment in
2 those cases covered by Rule 25-14.004, F.A.C. Interest must ~~shall~~ also be imputed on deferred
3 investment tax credits in those cases covered by 26 CFR Part 1, s. 1.46-6(b)(2)(i), (3) and
4 (4)(ii) ~~issued (April 7, 2008), May 22, 1986,~~ incorporated by reference herein and which may
5 be accessed at [hyperlink], and effective for property constructed or acquired on or after
6 August 15, 1971.

7 *Rulemaking Authority 350.127(2), 367.0812(5), 367.0814, 367.121, 367.1213 FS. Law*
8 *Implemented 367.081, 367.0812(1), 367.0814, 367.0822, 367.1213 FS. History–New 11-30-*
9 *93, Amended 12-14-93, 7-11-18,_____.*

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1 **25-30.444 Utility Reserve Fund.**

2 (1) PROJECT ELIGIBILITY. The following considerations ~~shall~~ must be applied in
3 determining whether a future infrastructure repair or replacement project of existing
4 distribution and collection infrastructure that is nearing the end of its useful life or is
5 detrimental to water quality or reliability of service is eligible for advance funding through a
6 utility reserve fund and whether a utility reserve fund is the most appropriate methodology to
7 address the requested project.

8 (a) The following projects ~~are shall be~~ are eligible for a utility reserve fund:

9 1. Projects to repair or replace existing utility infrastructure that is nearing the end of
10 its useful life or is detrimental to water quality or reliability of service that is recorded in the
11 ~~National Association of Regulatory Utility Commissioners (NARUC) Uniform System of~~
12 ~~Accounts (NARUC USOA);~~ water utility plant account numbers 304, 305, 306, 307, 308, 309,
13 310, 311, 320, 330, 331, 333, 334, 335, 336, and 339, and wastewater utility plant account
14 numbers 354, 355, 360, 361, 362, 363, 364, 365, 366, 367, 370, 371, 374, 375, 380, 381, 382,
15 and 389, incorporated by reference in Rule 25-30.115, F.A.C.;

16 2. Future expenditures related to land or land rights recorded in NARUC USOA water
17 utility plant account number 303 or wastewater utility plant account number 353, incorporated
18 by reference in Rule 25-30.115, F.A.C., if the expenditure is necessary to the successful
19 completion of an eligible repair or replacement project;

20 3. Upgrades or enhancements of existing facilities if it can be demonstrated that the
21 upgrade or enhancement is necessary to comply with federal, state, or local regulatory
22 requirements, or provides a more cost-effective or more reliable alternative than an identical
23 replacement, and that the upgrade or enhancement is not designed solely to address future
24 customer growth;

25 4. Repair projects that may be expensed rather than capitalized, as prescribed by

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1 subparagraph 25-30.140(1)(g)3., F.A.C., if it can be demonstrated that the repair expense is
2 not already reflected in the utility's current rates as an annual or amortized annual expense, or
3 that the annual repair and maintenance expense allowance reflected in the utility's current
4 rates is insufficient to cover the projected costs of the proposed repair project, or

5 5. If a project includes both the repair or replacement of existing infrastructure and the
6 expansion or improvement of facilities to meet future customer growth, the portion of the
7 project that is related to the repair and replacement of existing infrastructure is eligible if those
8 costs can be identified and segregated from the portion of the project related to the expansion
9 or improvements designed to meet future customer growth.

10 (b) The following projects are ~~shall~~ not be eligible for a utility reserve fund:

11 1. Projects to repair or replace general plant that is not directly associated with the
12 physical operation of the utility's water or wastewater systems that are recorded in NARUC
13 USOA water utility plant account numbers 340, 341, 342, 343, 344, 345, 346, 347, and 348,
14 and wastewater utility plant account numbers 390, 391, 392, 393, 394, 395, 396, 397, and 398,
15 incorporated by reference in Rule 25-30.115, F.A.C.;

16 2. Expenditures related to NARUC USOA water utility plant accounts 301 and 302,
17 and wastewater utility plant accounts 351 and 352, incorporated by reference in Rule 25-
18 30.115, F.A.C., which cover organization and franchise related expenditures;

19 3. Expenditures related to land or land rights recorded in NARUC USOA water utility
20 plant account number 303 or wastewater utility plant account number 353, incorporated by
21 reference in Rule 25-30.115, F.A.C., if the expenditure is necessary solely to meet future
22 customer growth; or

23 4. Capital improvement projects to expand existing facilities or construct new facilities
24 solely to meet future customer growth.

25 (c) When evaluating whether the utility's request to create a utility reserve fund is the

1 most appropriate methodology to address the utility's eligible future infrastructure repair and
2 replacement projects, the following additional factors will be considered:

3 1. Whether the anticipated completion date of the project allows sufficient time to
4 accumulate the funds necessary to fund the project;

5 2. Whether the anticipated completion date is within 24 months of the end of the
6 historic test year used in a jointly filed rate application, if applicable, thereby making the
7 project eligible for consideration as a pro forma project in the rate proceeding pursuant to
8 Section 367.081(2)(a)2., F.S.;

9 3. Whether the contributions-in-aid-of-construction that will result from the utility
10 reserve fund will cause the utility to exceed the service availability policy guidelines provided
11 in Rule 25-30.580, F.A.C.;

12 4. Whether any of the eligible projects included in the utility reserve fund will result in
13 the complete elimination of either the water or wastewater treatment process;

14 5. Whether it has been more than seven years since the utility's last rate case, if the
15 request is filed as a stand-alone application or in conjunction with a limited proceeding; or

16 6. Whether the total increase resulting from implementation of the utility reserve fund
17 surcharge will exceed the utility's annual revenues for the most recent 12-month period or test
18 year by more than 30 percent.

19 (2) UTILITY RESERVE FUND FILING REQUIREMENTS. Each applicant that
20 requests approval to create a utility reserve fund must ~~shall~~ provide the following information
21 to the Commission. The request may be filed as a stand-alone application or in conjunction
22 with an application for rate increase filed pursuant to Section 367.081(2)(a), 367.0814, or
23 367.0822, F.S. If the request is filed in conjunction with an application for rate increase that
24 also requires the applicant's general information, paragraphs (2)(a), (b), and (c); may be
25 omitted from the utility reserve fund portion of the joint application. A utility that qualifies for

1 staff assistance as provided by subsection 25-30.455(1), F.A.C., may also request assistance
2 with the utility reserve fund process.

3 (a) The utility's name as it appears on the utility's certificate, address, telephone
4 number, and, if available, email address and fax number.

5 (b) The name(s), address(es), and telephone number(s) of the person(s) that should be
6 contacted regarding this application.

7 (c) The address within the service area where the application is available for customer
8 inspection during the time the rate application is pending.

9 (d) A statement of the reason(s) why the utility is requesting approval of a utility
10 reserve fund.

11 (e) A capital improvement plan that includes: a general description of the age and
12 condition of the utility's facilities; a description of all infrastructure repair or replacement
13 projects that the utility anticipates will be necessary within the next five years, at a minimum,
14 even if some projects will not be included in the utility reserve fund; and the following
15 information for each infrastructure repair or replacement project that the utility requests be
16 included in the utility reserve fund:

17 1. A description of each plant asset that will be repaired or replaced, including the
18 NARUC USOA account number for each asset, incorporated by reference in Rule 25-30.115,
19 F.A.C.;

20 2. The date each asset was originally placed into service or an estimate of the age of
21 the plant asset(s) as reflected in the utility's depreciation records if the original service date is
22 unknown;

23 3. A detailed description of the reason(s) each repair or replacement project is
24 necessary to maintain or improve the quality or reliability of the water or wastewater service,
25 including whether any asset will be replaced prior to the end of its average service life as

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1 provided by Rule 25-30.140, F.A.C.;

2 4. If the repair or replacement project is required by a governmental or regulatory
3 agency, include a copy of the rule, regulation, order, or other regulatory directive that requires
4 the repair or replacement;

5 5. The projected cost to repair or replace each asset, and documentation that supports
6 the utility's calculation of the projected cost. The utility must~~shall~~ make all reasonable efforts
7 to obtain at least three comparative cost estimates for each requested project. Acceptable
8 forms of projected cost documentation are: an estimate by a professional engineer or other
9 person knowledgeable in design and construction of water and wastewater plants; a bid from a
10 vendor or service provider that includes a description of all work to be completed and an
11 itemized list of all costs associated with the project; vendor information regarding the
12 purchase price of plant components that will be purchased directly by the utility and labor
13 estimates for work that will be performed on the project by a utility employee or contractual
14 service provider, along with a statement that confirms that the employee's or contractual
15 service provider's work on the project is not included in their normal duties; or other
16 information that shows a detailed and verifiable estimate of the projected cost. If the utility is
17 unable to obtain three cost estimates for each project, the utility must~~shall~~ provide a statement
18 explaining what steps the utility took to obtain the estimates, why the utility was unable to
19 obtain three estimates, and any responses received from any contractors solicited;

20 6. Detailed specifications for each asset that can be used to verify the projected repair
21 or replacement cost, such as type, size, quantity, or quality of the materials used to complete
22 the repair or replacement of the asset. If the type, size, quantity, or quality of the components
23 used to make the repair or replacement will be materially different than the plant asset(s) being
24 repaired or replaced, describe the specific differences and why the change is either necessary
25 or provides a better resolution for the repair or replacement;

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1 7. If the repair or replacement will change the design of the system, include a statement
2 explaining how the design of the system will change and why the change is either necessary or
3 will provide a better resolution for the repair or replacement;

4 8. A description of any alternatives to the proposed infrastructure repair or replacement
5 project that the utility considered, such as new technologies or interconnection with another
6 utility system, and why the proposed project was determined to be the most cost-effective
7 option or will provide a better resolution for the repair or replacement;

8 9. If the infrastructure that is being replaced was subject to a non-used and useful
9 adjustment in the utility's last rate proceeding, include a statement explaining whether the
10 utility considered reducing the size of the replacement infrastructure to better match the
11 utility's capacity needs and the results of that analysis;

12 10. A description of any expense increases or decreases that the utility anticipates will
13 occur following completion of the infrastructure repair or replacement project; and;

14 11. The projected timeline and anticipated completion date for the repair or
15 replacement project, including a detailed description of any target dates and significant
16 milestones if the project will be completed in multiple phases. If the repair or replacement
17 project is required by a governmental or regulatory agency, include any specific deadlines that
18 have been imposed by that agency, and describe any penalties that will be incurred by the
19 utility if the deadlines are not met.

20 (f) A description of any other funding sources that may be used for the project,
21 including a breakdown of the estimated project costs that will be funded with the utility
22 reserve fund, utility investment, and each available external funding source, such as a bank
23 loan, government loan, or government grant, as applicable.

24 (g) A schedule showing the calculation of the annualized revenues for the most recent
25 12-month period using the rates in effect at the time the utility files its application for approval

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1 to create a utility reserve fund, broken down by customer class and meter size. This schedule
2 may be omitted from the utility reserve fund portion of the application if filed in conjunction
3 with an application for a rate proceeding that also requires an annualized revenue calculation.

4 (h) A schedule showing the calculation of the proposed utility reserve fund surcharge
5 based on the number of bills by customer class and meter size for the most recent 12-month
6 period, or test year if filed in conjunction with an application for a rate proceeding.

7 (i) Revised tariff sheets incorporating the utility reserve fund surcharge into the tariff.
8 The utility must ~~shall~~ show the utility reserve fund surcharge as a separate charge in its tariff
9 and on its customer bills.

10 (j) A statement indicating whether the applicant will secure the utility reserve fund
11 through an interest-bearing escrow account or an irrevocable letter of credit. If the utility's
12 request to create a utility reserve account is approved by the Commission, the utility will be
13 required to provide documentation showing that the escrow account has been established or
14 the irrevocable letter of credit has been obtained prior to implementation of the utility reserve
15 fund surcharge.

16 (k) A description of the procedures that the utility will implement to segregate the
17 monies collected from the utility reserve fund surcharge on the utility's books and records.
18 Separate accounting records must be maintained to record all transactions associated with the
19 collection, deposit, and use of monies designated for the utility reserve fund. A separate bank
20 account may be used to segregate the utility reserve fund monies that are secured through an
21 irrevocable letter of credit but is not required.

22 (l) A statement signed by an officer of the utility that the utility will comply with the
23 noticing requirements in Rule 25-30.4445, F.A.C., if the request is filed as a stand-alone
24 application, Rule 25-22.0407, F.A.C., if the request is filed in conjunction with an application
25 for a rate increase filed pursuant to Section 367.081(2)(a) or 367.0814, F.S., or Rule 25-

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1 30.446, F.A.C., if the request is filed in conjunction with a limited proceeding filed pursuant to
2 Section 367.0822, F.S.

3 (m) An Asset Management Plan prepared by the Florida Rural Water Association may
4 be provided in lieu of a capital improvement plan in paragraph (2)(e).

5 (3) Reporting Requirements. Any utility that receives approval from or is required by
6 the Commission to create a utility reserve fund must keep an accurate and detailed account of
7 all monies and report to the Commission all monies it receives from the utility reserve fund
8 surcharge. The reporting requirement must ~~shall~~ begin when the utility's reserve fund
9 surcharge tariff becomes effective. The utility must file periodic reports as follows:

10 (a) The utility must ~~shall~~ file a report with the Commission Clerk's office no later than
11 the 20th of every month indicating the monthly and total amount of money deposited into, and
12 monthly and total amount of disbursements made from the utility reserve fund as of the end of
13 the preceding month. If the utility bills its customers less frequently than once a month, this
14 reporting requirement may be modified to match the utility's normal billing frequency. A copy
15 of a bank statement that separately identifies the utility reserve fund deposits and
16 disbursements may serve as the monthly report.

17 (b) At least once every six months, the utility must ~~shall~~ also report the status of all
18 eligible projects included in the utility reserve fund for which work was performed during the
19 last six months, including the actual start date, the estimated or actual completion date, the
20 costs incurred during the last six months, and the total cost for any projects completed during
21 the last six months.

22 (c) The reports must ~~shall~~ continue as long as the utility reserve fund is in effect and
23 until all funds have been disbursed either to pay for completed eligible projects or as refunds
24 to customers.

25 (d) A request for disbursement from the utility reserve fund escrow account or

1 authorization to use funds secured by an irrevocable letter of credit may be filed in
2 conjunction with the utility's monthly or quarterly reports.

3 (e) The utility must ~~shall~~ also separately identify the utility reserve fund in its annual
4 report filed with the Commission each year pursuant to Rule 25-30.110, F.A.C.

5 (f) The utility must ~~shall~~ file an updated capital improvement plan with the
6 Commission at least once every three years for as long as the utility reserve fund remains
7 active.

8 (4) DISBURSEMENT OF FUNDS. A utility requesting disbursement of funds from an
9 escrow account or authorization to use funds secured by an irrevocable letter of credit must
10 ~~shall~~ file the following information and supporting documentation:

11 (a) A statement explaining why the disbursement is needed, including a description of
12 the completed project, or if a partial disbursement of funds is necessary prior to completion of
13 the full project, a description of the completed phase of the project, purchase of materials,
14 payments to contractors or vendors, or construction draws, as applicable;

15 (b) The date the project or phase of the project was completed and the replacement
16 asset(s) was placed in service, as applicable;

17 (c) Documentation supporting the amount of the requested disbursement. Acceptable
18 forms of documentation are: invoices, receipts, contractor application and request for payment
19 forms, loan documents, documents showing proof of payment, and other information that
20 shows detailed and verifiable project costs and payments;

21 (d) Documentation showing that the completed work was inspected or approved by the
22 governmental or regulatory authority that required the repair or replacement project, if
23 applicable; and,

24 (e) Other documentation that demonstrates the project was completed, such as
25 photographs of the completed work, may be submitted, but is not required.

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1 (f) A utility may request the disbursement of funds from a utility reserve fund to assist
2 with making an emergency repair or replacement of existing distribution and collection
3 infrastructure that is nearing the end of its useful life or is detrimental to water quality or
4 reliability of service that is critical to the operation of the utility facilities and resulted from
5 events that were out of the utility's control, such as weather related damage, accidents, or
6 defective parts. The utility's request for an emergency disbursement must include the
7 following information:

- 8 1. The information required in paragraphs (4)(a) through (e), above,
- 9 2. A description of any future funding sources that may be available to assist the utility
10 with the emergency repair or replacement costs, such as government assistance for weather
11 damage, insurance benefits, or manufacturer warranties for defective parts,
- 12 3. A statement explaining how the utility will reimburse the utility reserve fund for the
13 emergency disbursement through future funding sources, such as, government assistance,
14 insurance benefits, manufacturer warranties, bank loans, or utility investment. If no funding
15 sources will be available for reimbursement of the utility reserve fund, the utility must ~~shall~~
16 either provide a statement describing how the utility reserve fund project(s) or timeline may be
17 modified to address the project funding needs without modifying the amount of the utility
18 reserve fund surcharge, or provide the information required in subsection (5), below, to
19 request a modification of the utility reserve fund surcharge.

20 (5) UTILITY RESERVE FUND MODIFICATIONS. A utility that must undertake a
21 project that was not anticipated when the utility reserve fund was created or that must make
22 significant modifications to a previously approved project may request a modification of the
23 utility reserve fund at any time following creation of the fund or in the utility's next rate
24 proceeding by filing the following information:

25 (a) A statement describing why the new project or modification of a previously

1 approved project is necessary, and whether the utility is requesting a change in the utility
2 reserve fund surcharge or only acknowledgement of the project modifications. If the new
3 project or project modification is required by a governmental or regulatory agency, include a
4 copy of the rule, regulation, order, or other regulatory directive that requires the new project or
5 project modification; and,

6 (b) The information required in paragraph (2)(e) or (m), and paragraphs (f), (g), (h),
7 and (i), if the utility is requesting a change in the utility reserve fund surcharge. Also, if the
8 utility reserve fund is secured through an irrevocable letter of credit, the utility must ~~shall~~
9 provide an updated irrevocable letter of credit prior to implementation of the utility reserve
10 fund surcharge increase.

11 (6) FINAL DISPOSITION OF UTILITY RESERVE FUND.

12 (a) The utility reserve fund surcharge must ~~shall~~ be discontinued after all approved
13 eligible projects(s) have been completed, sufficient funds have been collected in the utility
14 reserve fund to cover the cost of the approved eligible project(s), and the final disbursement
15 has been made from the utility reserve fund. During the utility's next rate proceeding, the
16 utility's rate base, capital structure, operating expenses, and rates must ~~shall~~ be adjusted as
17 needed to reflect the completed projects. The amount of the new plant assets that are funded
18 through a utility reserve fund must ~~shall~~ be offset with an equal addition to contributions-in-
19 aid-of-construction.

20 (b) Any monies that remain in the utility reserve fund following the last disbursement
21 for the completed eligible project(s) must ~~shall~~ be refunded to the customers with interest in
22 accordance with Rule 25-30.360, F.A.C.

23 (c) All monies collected and held in the utility reserve fund should remain with the
24 utility regardless of any changes in utility ownership. If a utility's ownership changes through
25 a transfer or abandonment, the Commission will ~~shall~~ determine whether the utility reserve

1 fund should be continued as follows:

2 1. In the event that the utility's ownership changes through a transfer as provided in
3 Rule 25-30.037, F.A.C., the transfer agreement must ~~shall~~ include provisions that state: that
4 the utility reserve fund will ~~shall~~ remain with the utility following the close of the sale; that the
5 seller must ~~shall~~ provide copies of all documents related to the utility reserve fund to the
6 buyer, including the approved capital improvement plan, financial records, and status reports;
7 whether the buyer requests to continue the utility reserve fund following the transfer; and
8 whether the buyer will assume responsibility for the escrow account or obtain an irrevocable
9 letter of credit to secure the utility reserve fund. If the buyer does not request to continue the
10 utility reserve fund or does not provide sufficient documentation to guarantee the continued
11 security of the utility reserve fund and compliance with the provisions set forth in this rule, all
12 monies held in the utility reserve fund must ~~shall~~ be refunded to the customers with interest in
13 accordance with Rule 25-30.360, F.A.C., and the utility reserve fund surcharge and utility
14 reserve fund must ~~shall~~ be discontinued. However, if the transfer of ownership is requested
15 pursuant to subsection 25-30.037(5), F.A.C., and will result in the transfer of ownership to an
16 exempt entity other than a governmental utility, the buyer will ~~shall~~ not be required to obtain
17 an escrow account or an irrevocable letter of credit.

18 2. In the event that the utility is abandoned as provided in Rule 25-30.090, F.A.C., all
19 monies held in the utility reserve fund and all documents related to the utility reserve fund
20 must ~~shall~~ remain with the utility and be turned over to the court-appointed receiver. If the
21 utility remains under Commission jurisdiction following the abandonment, the court-
22 appointed receiver must ~~shall~~ be responsible for managing the utility reserve fund in
23 accordance with this rule and all applicable Commission Orders.

24 (d) If the utility fails to follow through with the eligible project(s) covered by the
25 utility reserve fund or comply with the security, fund maintenance, or reporting requirements

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1 set forth in this rule, the Commission will ~~shall~~ initiate a review of the utility reserve fund and
2 surcharge to determine whether the utility reserve fund and surcharge should be discontinued
3 and whether all monies in the reserve fund should be refunded to the customers with interest
4 in accordance with Rule 25-30.360, F.A.C.

5 *Rulemaking Authority 350.127(2), 367.081(2)(c), 367.121 FS. Law Implemented*

6 *367.081(2)(c) FS. History—New 6-20-17, Amended*.

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1 **25-30.445 General Information and Instructions Required of Water and**
2 **Wastewater Utilities in an Application for a Limited Proceeding.**

3 (1) Each applicant for a limited proceeding must provide the following general
4 information to the Commission:

5 (a) The name of the applicant as it appears on the applicant’s certificate and the
6 address of the applicant’s principal place of business;:-

7 (b) The type of business organization under which the applicant’s operations are
8 conducted; if the applicant is a corporation, the date of incorporation; the names and addresses
9 of all persons who own 5 percent or more of the applicant’s stock; or the names and addresses
10 of the owners of the business;:-

11 (c) The number(s) of the Commission order(s), if any, in which the Commission most
12 recently considered the applicant’s rates for the system(s) involved;:-

13 (d) The address within the service area where the application is available for customer
14 inspection during the time the rate application is pending;:- and

15 (e) A statement signed by an officer of the utility that the utility will comply with the
16 noticing requirements in Rule 25-30.446, F.A.C.

17 (2) In a limited proceeding application:

18 (a) Each schedule must be cross-referenced to identify related schedules;:-

19 (b) Except for handwritten official company records, all data in the petition and
20 application must be typed;:- and

21 (c) The original and three copies must be filed with the Office of Commission Clerk.
22 The copies must be clearly labeled “COPY.” If the application is e-filed, the utility must
23 provide the required number of paper copies, clearly labeled “COPY,” to the Office of
24 Commission Clerk within seven calendar days after electronic filing.

25 (3) A filing fee as required in Rule 25-30.020, F.A.C., must be submitted at the time of

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1 application.

2 (4) The following minimum filing requirements must be filed with the utility's
3 application for limited proceeding for a Class A or B water or wastewater utility:

4 (a) A detailed statement of the reason(s) why the limited proceeding has been
5 requested.

6 (b) If the limited proceeding is being requested to recover costs required by a
7 governmental or regulatory agency, provide the following:

8 1. A copy of any rule, regulation, order or other regulatory directive that has required
9 or will require the applicant to make the improvement or the investment for which the
10 applicant seeks recovery.

11 2. An estimate by a professional engineer, or other person, knowledgeable in design
12 and construction of water and wastewater plants, to establish the projected cost of the
13 applicant's investment and the period of time required for completion of construction.

14 (c) A schedule that provides the specific rate base components for which the utility
15 seeks recovery. Supporting detail must be provided for each item requested, including:

16 1. The actual or projected cost(s);

17 2. The date the item will be or is projected to be placed in service;

18 3. Any corresponding adjustments that are required as a result of adding or removing
19 the requested component(s) from rate base, which may include retirement entries; and,

20 4. Any other relevant supporting information.

21 (d) If the utility's application includes a request for recovery of plant in service,
22 accumulated depreciation and depreciation expense, supporting detail must be provided by
23 primary account as defined by the NARUC USOA Uniform System of Accounts, which are
24 incorporated by reference in accordance with Rule ~~25-30.115~~ 25-30.110, F.A.C.

25 (e) A calculation of the weighted average cost of capital must be provided for the most

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1 recent 12-month period, using the mid-point of the range of the last authorized rate of return
2 on equity, the current embedded cost of fixed-rate capital, the actual cost of short-term debt,
3 the actual cost of variable-cost debt, and the actual cost of other sources of capital which were
4 used in the last individual rate proceeding of the utility. If the utility does not have an
5 authorized rate of return on equity, the utility must use the current leverage formula pursuant
6 to Section 367.081(4)(f), F.S.

7 (f) If the utility is requesting recovery of operating expenses, the following information
8 must be provided:

- 9 1. A detailed description of the expense(s) requested;
- 10 2. The total cost by primary account pursuant to the NARUC USOA Uniform System
11 of Accounts, incorporated by reference in Rule 25-30.115, F.A.C.;
- 12 3. Supporting documentation or calculations; and,
- 13 4. Any allocations that are made between systems, affiliates or related parties. If
14 allocations are made, submit full detail that shows the total amount allocated, a description of
15 the basis of the allocation methodology, the allocation percentage applied to each allocated
16 cost, and the workpapers supporting the calculation of the allocation percentages.

17 (g) Calculations for all items that will create cost savings or revenue impacts from the
18 implementation of the requested cost recovery items.

19 (h) If the utility includes any other items where calculations are required, supporting
20 documentation must be filed that reflects the calculations or assumptions made.

21 (i) A calculation of the revenue increase including regulatory assessment fees and
22 income taxes, if appropriate.

23 (j) Annualized revenues for the most recent 12-month period using the rates in effect at
24 the time the utility files its application for limited proceeding and a schedule reflecting this
25 calculation by customer class and meter size.

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1 (k) A schedule of current and proposed rates for all classes of customers.

2 (l) Schedules for the most recent 12-month period showing that, without any increased
3 rates, the utility will earn below its authorized rate of return in accordance with Section
4 367.082, F.S. The schedules must consist of a rate base, net operating income and cost of
5 capital schedule with adjustments to reflect those consistent with the utility's last rate
6 proceeding.

7 (m) If the limited proceeding is being requested to change the current rate structure,
8 provide a copy of all workpapers and calculations used to calculate requested rates and
9 allocations between each customer class. The test year must be the most recent 12-month
10 period. In addition, the following schedules from Form PSC 1028 (12/20), entitled "Class A
11 Water and/or Wastewater Utilities Financial, Rate and Engineering Minimum Filing
12 Requirements," ~~which is~~ incorporated by reference in Rule 25-30.437, F.A.C., must be
13 provided:-

14 1. Schedule E-2, entitled "Revenue Schedule at Present and Proposed Rates."

15 2. Schedule E-14, entitled "Billing Analysis Schedules." Only an original and one copy
16 is required.

17 (n) Revised tariff sheets should not be filed with the application.

18 (o) A water utility's application for limited proceeding must also include:

19 1. A copy of all customer complaints that the utility has received regarding DEP
20 secondary water quality standards during the past five years; and;

21 2. A copy of the utility's most recent secondary water quality standards test results.

22 (5) In addition to the requirements stated in subsections (1) through (3), the following
23 minimum filing requirements must be filed with the utility's application for limited
24 proceeding for a Class C water or wastewater utility:

25 (a) A detailed statement of the reason(s) why the limited proceeding has been

1 requested.

2 (b) If the limited proceeding is being requested to recover costs required by a
3 governmental or regulatory agency, provide a copy of any rule, regulation, order or other
4 regulatory directive that has required or will require the applicant to make the improvement or
5 the investment for which the applicant seeks recovery.

6 (c) A schedule that provides the specific rate base components for which the utility
7 seeks recovery, if known. Supporting detail must be provided for each item requested,
8 including:

- 9 1. The actual or projected cost(s);
- 10 2. The date the item will be or is projected to be placed in service;
- 11 3. Any corresponding adjustments, if known, that are required as a result of adding or
12 removing the requested component(s) from rate base, which may include retirement entries;
13 and,
- 14 4. Any other relevant supporting information, if known.

15 (d) If the utility is requesting recovery of operating expenses, provide an itemized
16 description of the expense(s), including the cost and any available supporting documentation
17 or calculations.

18 (e) Provide a description of any known items that will create cost savings or revenue
19 impacts from the implementation of the requested cost recovery items.

20 (f) A calculation of the revenue increase including regulatory assessment fees and
21 income taxes, if applicable.

22 (g) Annualized revenues for the most recent 12-month period using the rates in effect
23 at the time the utility files its application for limited proceeding and a schedule reflecting this
24 calculation by customer class and meter size.

25 (h) A Class C water utility's application for limited proceeding must also include:

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- 1 1. A copy of all customer complaints that the utility has received regarding DEP
2 secondary water quality standards during the past five years; and,
- 3 2. A copy of the utility’s most recent secondary water quality standards test results.
- 4 (6) A limited proceeding will not be allowed if:
- 5 (a) The utility’s filing includes more than six separate projects for which recovery is
6 sought. Corresponding adjustments for a given project are not subject to the above limitation;
- 7 (b) The requested rate increase exceeds 30 percent;
- 8 (c) The utility has not had a rate case within seven years of the date the petition for
9 limited proceeding is filed with the Commission; or
- 10 (d) The limited proceeding is filed as the result of the complete elimination of either
11 the water or wastewater treatment process.
- 12 (7) The utility must provide a statement in its filing to the Commission that addresses
13 whether the utility’s rate base has declined or whether any expense recovery sought by the
14 utility is offset by customer growth since its most recent rate proceeding or will be offset by
15 future customer growth expected to occur within one year of the date new rates are
16 implemented.
- 17 *Rulemaking Authority 350.127(2), 367.121(1)(a) FS. Law Implemented 367.081, 367.0812,*
18 *367.0822, 367.121(1)(a), 367.145(2) FS. History—New 3-1-04, Amended 5-30-17, 5-16-22,*

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EXHIBIT B

TO

STAFF RECOMMENDATION

(PROPOSED AMENDED FORMS)

FLORIDA PUBLIC SERVICE COMMISSION

**INSTRUCTIONS FOR COMPLETING EXAMPLE
APPLICATION FOR ORIGINAL CERTIFICATE OF AUTHORIZATION
FOR A PROPOSED OR EXISTING SYSTEM REQUESTING
INITIAL RATES AND CHARGES**

**(Pursuant to Sections 367.031, 367.045, and 367.081, Florida Statutes, and
Rule 25-30.033, Florida Administrative Code)**

General Information

The attached form is an example application that may be completed by the applicant and filed with the Office of Commission Clerk to comply with Rule 25-30.033, Florida Administrative Code (F.A.C.). Any questions regarding this form should be directed to the Division of Engineering at (850) 413-6910.

Instructions

1. Fill out the attached application form completely and accurately.
2. Complete all the items that apply to your utility. If an item is not applicable, mark it "N.A." Do not leave any items blank.
3. Remit the proper filing fee pursuant to Rule 25-30.020, F.A.C., with the application.
4. Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.
5. The completed application, attached exhibits, and the proper filing fee should be mailed to:

**Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

PSC 1001 (06/26) ~~(12/15)~~
Rule 25-30.033, F.A.C.

**APPLICATION FOR ORIGINAL CERTIFICATE OF AUTHORIZATION
FOR A PROPOSED OR EXISTING SYSTEM REQUESTING
INITIAL RATES AND CHARGES**

(Pursuant to Sections 367.031, 367.045, and 367.081, Florida Statutes, and
Rule 25-30.033, Florida Administrative Code)

To: **Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The undersigned hereby makes application for original certificate(s) to operate a water
and/or wastewater utility in _____ County, Florida, and submits the following
information:

PART I **APPLICANT INFORMATION**

- A) Contact Information for Utility. The utility's name, address, telephone number, Federal
Employer Identification Number, and if applicable, fax number, e-mail address, and website
address. The utility's name should reflect the business and/or fictitious name(s) registered
with the Department of State's Division of Corporations:

Utility Name

Office Street Address

City State Zip Code

Mailing Address (if different from Street Address)

City State Zip Code

() - () -
Phone Number Fax Number

Federal Employer Identification Number

E-Mail Address

Website Address

- B) The contact information of the authorized representative to contact concerning this application:

Name

Mailing Address

City State Zip Code

() - () -

Phone Number Fax Number

E-Mail Address

- C) Indicate the nature of the utility's business organization (check one). Provide documentation from the Florida Department of State, Division of Corporations showing the utility's business name and registration/document number for the business, unless operating as a sole proprietor.

Corporation _____
Number

Limited Liability Company _____
Number

Partnership _____
Number

Limited Partnership _____
Number

Limited Liability Partnership _____
Number

Sole Proprietorship _____

- Association
- Other (Specify) _____

If the utility is doing business under a fictitious name, provide documentation from the Florida Department of State, Division of Corporations showing the utility's fictitious name and registration number for the fictitious name.

- Fictitious Name (d/b/a) _____
Registration Number _____

- D) The name(s), address(es), and percentage of ownership of each entity or person which owns or will own more than 5 percent interest in the utility (use an additional sheet if necessary).

- E) The election the business has made under the Internal Revenue Code for taxation purposes.

PART II ORIGINAL CERTIFICATE REQUESTING INITIAL RATES

A) DESCRIPTION OF SERVICE

Exhibit ____ - Provide a statement indicating whether the application is for water, wastewater, or both. If the applicant is applying only for water or wastewater, the statement shall include how the other service is provided.

B) FINANCIAL ABILITY

- 1) Exhibit ____ - Provide a detailed financial statement (balance sheet and income statement), audited if available, of the financial condition of the applicant, that shows all assets and liabilities of every kind and character. The financial statements shall be for the preceding calendar or fiscal year. The financial statement shall be prepared in accordance with Rule 25-30.115, F.A.C. If available, a statement of the sources and uses of funds shall also be provided.

- 2) Exhibit ____ - Provide a list of all entities, including affiliates, upon which the applicant is relying to provide funding to the utility and an explanation of the manner and amount of such funding. The list need not include any person or entity holding less than 5 percent ownership interest in the utility. The applicant shall provide copies of any financial agreements between the listed entities and the utility and proof of the listed entities' ability to provide funding, such as financial statements.

C) TECHNICAL ABILITY

- 1) Exhibit ____ - Provide the applicant's experience in the water or wastewater industry;

- 2) Exhibit ____ - Provide the copy of all current permits from the Department of Environmental Protection (DEP) and the water management district;

- 3) Exhibit ____ - Provide a copy of the most recent DEP and/or county health department sanitary survey, compliance inspection report and secondary water quality standards report; and

- 4) Exhibit ____ - Provide a copy of all correspondence with the DEP, county health department, and water management district, including consent orders and warning letters, and the utility's responses to the same, for the past five years.

D) NEED FOR SERVICE

1) Exhibit _____ - Provide the following documentation of the need for service in the proposed area:

a) The number of customers currently being served and proposed to be served, by customer class and meter size, including a description of the types of customers anticipated to be served, i.e., single family homes, mobile homes, duplexes, golf course clubhouse, commercial. If the development will be in phases, this information shall be separated by phase;

b) A copy of all requests for service from property owners or developers in areas not currently served;

c) The current land use designation of the proposed service territory as described in the local comprehensive plan at the time the application is filed. If the proposed development will require a revision to the comprehensive plan, describe the steps taken and to be taken to facilitate those changes, including changes needed to address the proposed need for service area;

d) Any known land use restrictions, such as environmental restrictions imposed by governmental authorities.

- 2) Exhibit ____ - Provide the date the applicant began or plans to begin serving customers. If already serving customers, a description of when and under what circumstances applicant began serving.

E) **TERRITORY DESCRIPTION, MAPS, AND FACILITIES**

- 1) Exhibit ____ - Provide a legal description of the proposed service area in the format prescribed in Rule 25-30.029, F.A.C.
- 2) Exhibit ____ - Provide documentation of the utility's right to access and continued use of the land upon which the utility treatment facilities are or will be located. This documentation shall be in the form of a recorded warranty deed, recorded quit claim deed accompanied by title insurance, recorded lease such as a 99-year lease, or recorded easement. The applicant may submit an unrecorded copy of the instrument granting the utility's right to access and continued use of the land upon which the utility treatment facilities are or will be located, provided the applicant files a recorded copy within the time prescribed in the order granting the certificate.
- 3) Exhibit ____ - Provide a detailed system map showing the existing and proposed lines and treatment facilities, with the territory proposed to be served plotted thereon, consistent with the legal description provided in E-1 above. The map shall be of sufficient scale and detail to enable correlation with the description of the territory proposed to be served.
- 4) Exhibit ____ - Provide an official county tax assessment map or other map showing township, range, and section, with a scale such as 1" = 200' or 1" = 400', with the proposed territory plotted thereon, consistent with the legal description provided in E-1 above.
- 5) Exhibit ____ - Provide a description of the separate capacities of the existing and proposed lines and treatment facilities in terms of equivalent residential connections (ERCs) and gallons per day estimated demand per ERC for water and wastewater and the basis for such estimate. If the development will be in phases, this information shall be separated by phase.
- 6) Exhibit ____ - Provide a description of the type of water treatment, wastewater treatment, and method of effluent disposal.

F) **PROPOSED TARIFF**

Exhibit ____ - Provide a tariff containing all rates, classifications, charges, rules, and regulations, which shall be consistent with Chapter 25-9, F.A.C. See Rule 25-30.033, F.A.C., for information about water and wastewater tariffs that are available and may be completed by the applicant and included in the application.

G) **ACCOUNTING AND RATE INFORMATION**

- 1) Exhibit ____ - Describe the existing and projected cost of the system(s) and associated depreciation by year until design capacity is reached using the 1996 National Association of Regulatory Utility Commissioners (~~NARUC~~) Uniform System of Accounts for Water and Wastewater utilities (NARUC USOA), ~~which is~~ incorporated by reference in Rule 25-30.115, F.A.C. The applicant shall identify the year that 80 percent of design capacity is anticipated.
- 2) Exhibit ____ - Provide the existing and projected annual contributions-in-aid-of-construction (CIAC) and associated amortization by year including a description of assumptions regarding customer growth projections using the same projections used in documented need for service for the proposed service area. The projected CIAC shall identify cash and property contributions and amortization at 100 percent of design capacity and identify the year when 80 percent of design capacity is anticipated. The projected CIAC shall be consistent with the service availability policy and charges in the proposed tariff provided in F-1 above, the schedule provided in G-6 below, and the CIAC guidelines set forth in Rule 25-30.580, F.A.C. If the utility will be built in phases, this shall apply only to the first phase.
- 3) Exhibit ____ - Provide the current annual operating expenses and the projected annual operating expenses at 80 percent of design capacity using the 1996 NARUC USOA, incorporated by reference in Rule 25-30.115, F.A.C. If the utility will be built in phases, this shall apply only to the first phase.
- 4) Exhibit ____ - Provide a schedule showing the projected capital structure including the methods of financing the construction and operation of the utility until the utility reaches 80 percent of the design capacity of the system. If the utility will be built in phases, this shall apply only to the first phase. A return on common equity shall be established using the current equity leverage formula established by order of this Commission pursuant to Section 367.081(4), Florida Statutes, unless there is competent substantial evidence supporting the use of a different return on common equity. Please reference subsection 25-30.033(4), F.A.C., for additional information regarding the accrual of allowance for funds used during construction (AFUDC).

- 5) Exhibit ____ - Provide a schedule showing how the proposed rates were developed. The base facility and usage rate structure (as defined in subsection 25-30.437(6), F.A.C.) shall be utilized for metered service, unless an alternative rate structure is supported by the applicant and authorized by the Commission.
- 6) Exhibit ____ - Provide a schedule showing how the proposed service availability policy and charges were developed, including meter installation, main extension, and plant capacity charges, and proposed donated property.
- 7) Exhibit ____ - Provide a schedule showing how the customer deposits and miscellaneous service charges were developed, including initial connection, normal reconnection, violation reconnection, and premises visit fees, consistent with Rules 25-30.311 and 25-30.460, F.A.C.

H) NOTICING REQUIREMENTS

Exhibit ____ - Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.

PART III SIGNATURE

Please sign and date the utility's completed application.

APPLICATION SUBMITTED BY:

Applicant's Signature

Applicant's Name (Printed)

Applicant's Title

Date

FLORIDA PUBLIC SERVICE COMMISSION
INSTRUCTIONS FOR COMPLETING EXAMPLE
APPLICATION FOR TRANSFER OF CERTIFICATES OR FACILITIES
FROM A REGULATED UTILITY TO ANOTHER REGULATED UTILITY

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.037(2), Florida Administrative Code)**

General Information

The attached form is an example application that may be completed by the applicant and filed with the Office of Commission Clerk to comply with Rule 25-30.037(2), Florida Administrative Code (F.A.C.). Any questions regarding this form should be directed to the Division of Engineering at (850) 413-6910.

Instructions

1. Pursuant to Rule 25-30.037(1)(a), F.A.C., if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.
2. Fill out the attached application form completely and accurately.
3. Complete all the items that apply to your utility. If an item is not applicable, mark it "N.A." Do not leave any items blank.
4. Remit the proper filing fee pursuant to Rule 25-30.020, F.A.C., with the application.
5. Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.
6. The completed application, attached exhibits, and the proper filing fee should be mailed to:

**Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

Form PSC 1005 (06/26) (~~12/15~~)
Rule 25-30.037, F.A.C.

**APPLICATION FOR TRANSFER OF CERTIFICATES OR FACILITIES
FROM A REGULATED UTILITY TO ANOTHER REGULATED UTILITY**

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.037(2), Florida Administrative Code)**

Pursuant to Rule 25-30.037(1)(a), F.A.C., if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.

To: **Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The undersigned hereby makes application for the transfer of facilities and transfer or cancellation of Water Certificate No. _____ and/or Wastewater Certificate No. _____ and amendment of Water Certificate No. _____ and/or Wastewater Certificate No. _____ in _____ County, Florida, and submits the following information:

PART I APPLICANT INFORMATION

A) Contact Information for Utility/Seller. The utility/seller's certificated name, address, telephone number, and if applicable, fax number, e-mail address, and website address. The utility's name should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations:

Utility Name

Office Street Address

City State Zip Code

Mailing Address (if different from Street Address)

City State Zip Code

() - () -
Phone Number Fax Number

Federal Employer Identification Number

E-Mail Address

Website Address

Water Certificate No. Wastewater Certificate No.

- B) The contact information of the seller's authorized representative to contact concerning this application:

Name

Mailing Address

City State Zip Code

() - () -
Phone Number Fax Number

E-Mail Address

- C) Contact Information for Buyer. The buyer's name, address, telephone number, Federal Employer Identification Number, and, if applicable, fax number, e-mail address, website address, and new name of the utility if the buyer plans to operate under a different name. The buyer's business name, and if applicable, new utility name, should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations.

Buyer's Name

Office Street Address

City State Zip Code

Mailing Address (if different from Street Address)

City State Zip Code

() - () -
Phone Number Fax Number

Federal Employer Identification Number

E-Mail Address

New Utility Name

D) The contact information of the buyer's authorized representative to contact concerning this application:

Name

Mailing Address

City State Zip Code

() - () -
Phone Number Fax Number

E-Mail Address

- E) The name, address, telephone number, and if available, e-mail address and fax number of the person in possession of the books and records when the application is filed.

Name

Mailing Address

City State Zip Code

() - () -
Phone Number Fax Number

E-Mail Address

- F) Indicate the nature of the utility's/buyer's business organization (check one). Provide documentation from the Florida Department of State, Division of Corporations, showing the utility's/buyer's business name and registration/document number for the business, unless operating as a sole proprietor.

Corporation _____
Number

Limited Liability Company _____
Number

Partnership _____
Number

Limited Partnership _____
Number

Limited Liability Partnership _____
Number

Sole Proprietorship

Association

Other (Specify) _____

If the utility is doing business under a fictitious name, provide documentation from the Florida Department of State, Division of Corporations showing the utility's fictitious name and registration number for the fictitious name.

Fictitious Name (d/b/a) _____
Registration Number _____

G) The name(s), address(es), and percentage of ownership of each entity or person which owns or will own more than 5 percent interest in the utility (Use additional sheet if necessary).

H) Provide the date and state of incorporation or organization of the buyer.

PART II **TRANSFER OF CERTIFICATE**

A) DESCRIPTION OF SALE AGREEMENT

1) Exhibit ____ - Provide a copy of the contract for sale and all auxiliary or supplemental agreements. If the sale, assignment, or transfer occurs prior to Commission approval, the contract shall include a provision stating that the contract is contingent upon Commission approval.

2) Exhibit ____ - Provide the following documentation of the terms of the transfer:
a) The date the closing occurred or will occur.

b) The purchase price and terms of payment.

c) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of non-regulated operations or entities.

- d) A description of all consideration between the parties, including promised salaries, retainer fees, stock, stock options, and assumption of obligations.

- e) Provisions regarding the disposition, where applicable, of customer deposits and interest thereon, guaranteed revenue contracts, developer agreements, customer advances, debt of the utility, and leases.

- f) A statement that the buyer will fulfill the commitments, obligations, and representations of the seller with regard to utility matters.

- g) A provision that the buyer has or will obtain the books and records of the seller, including all supporting documentation for rate base additions since the last time rate base was established for the utility.

- h) A statement that the utility's books and records will be maintained using the National Association of Regulatory Utility Commissioners (~~NARUC~~) Uniform System of Accounts (~~USOA~~), (NARUC USOA), incorporated by reference in Rule 25-30.115, F.A.C.

- i) A statement that the utility's books and records will be maintained at the utility's office(s) within Florida, or that the utility will comply with the requirements of Rule 25-30.110(1)(b) and (c), F.A.C., regarding maintenance of utility records at another location or out-of-state. If the records will not be maintained at the utility's office(s), the statement should include the location where the utility intends to maintain the books and records.

B) FINANCIAL ABILITY

- 1) Exhibit ____ - Provide a detailed financial statement (balance sheet and income statement), audited if available, of the financial condition of the applicant, that shows all assets and liabilities of every kind and character. The financial statements shall be for the preceding calendar or fiscal year. The financial statement shall be prepared in accordance with Rule 25-30.115, F.A.C. If available, a statement of the sources and uses of funds shall also be provided.
- 2) Exhibit ____ - Provide a list of all entities, including affiliates, upon which the buyer is relying to provide funding to the utility and an explanation of the manner and amount of such funding. The list need not include any person or entity holding less than 5 percent ownership interest in the utility. The applicant shall provide copies of any financial agreements between the listed entities and the utility and proof of the listed entities' ability to provide funding, such as financial statements.

C) TECHNICAL ABILITY

- 1) Exhibit ____ - Provide the buyer's experience in the water or wastewater industry.
- 2) Exhibit ____ - Provide the buyer's plans for ensuring continued operation of the utility, such as retaining the existing plant operator(s) and office personnel, or contracting with outside entities.

D) TERRITORY DESCRIPTION, PUBLIC INTEREST, AND FACILITIES

- 1) Exhibit ____ - Provide a legal description of the proposed service area in the format prescribed in Rule 25-30.029, F.A.C.

- 2) Exhibit ____ - Provide a statement explaining why the transfer is in the public interest.

- 3) Exhibit ____ - Provide a statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and compliance with all applicable standards set by the DEP, or, if the system is in need of repair or improvement, has any outstanding Notice of Violation of any standard set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a description of the repairs or improvements that have been identified, the governmental entity that required the repairs or improvements, if applicable, the approximate cost to complete the repairs or improvements, and any agreements between the seller and buyer regarding who will be responsible for any identified repairs or improvements.

- 4) Exhibit ____ - Provide documentation of the utility's right to continued long-term use of the land upon which the utility treatment facilities are located. This documentation shall be in the form of a recorded warranty deed, recorded quit claim deed accompanied by title insurance, recorded long-term lease, such as a 99-year lease, or recorded easement. The applicant may submit an unrecorded copy of the instrument granting the utility's right to access and continued use of the land upon which the utility treatment facilities are or will be located, provided the applicant files a recorded copy within the time prescribed in the order granting the transfer.

- 5) Exhibit ____ - Provide a copy of all of the utility's current permits from the Department of Environmental Protection (DEP) and the water management district.

- 6) Exhibit ____ - Provide a copy of the most recent DEP and/or county health department sanitary survey, compliance inspection report, and secondary water quality standards report.

- 7) Exhibit ____ - Provide a copy of all of the utility's correspondence with the DEP, county health department, and water management district, including consent orders and warning letters, and the utility's responses to the same, for the past five years.
- 8) Exhibit ____ - Provide a copy of all customer complaints that the utility has received regarding DEP secondary water quality standards during the past five years.

E) PROPOSED TARIFF

Exhibit ____ - Provide a tariff containing all rates, classifications, charges, rules, and regulations, which shall be consistent with Chapter 25-9, F.A.C. See Rule 25-30.037, F.A.C., for information about water and wastewater tariffs that are available and may be completed by the applicant and included in the application.

F) ACCOUNTING INFORMATION

- 1) Exhibit ____ - Provide the proposed net book value of the system as of the date of the proposed transfer, and a statement setting out the reasons for the inclusion of an acquisition adjustment, if one is requested. If rate base has been established by this Commission, provide the docket and the order number. In addition, provide a schedule of all subsequent changes to rate base.

- 2) Exhibit ____ - Provide a statement from the buyer that it has obtained or will obtain copies of all of the federal income tax returns of the seller from the date the utility was first established or the rate base was last established by the Commission, whichever is later. If the tax returns have not been obtained, provide a description of the steps taken to obtain the tax returns.

- 3) Exhibit ____ - Provide a statement regarding the disposition of outstanding regulatory assessment fees, fines, or refunds owed and which entity will be responsible for paying regulatory assessment fees and filing the annual report for the year of the transfer and subsequent years.

- 4) Exhibit _____ - If the buyer currently owns other water or wastewater utilities that are regulated by this Commission, provide a schedule reflecting any economies of scale that are anticipated to be achieved within the next three years and the effect on rates for existing customers served by both the utility being purchased and the buyer's other utilities.

G) NOTICING REQUIREMENTS

Exhibit - _____ - Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.

PART III

SIGNATURE

Please sign and date the utility's completed application.

APPLICATION SUBMITTED BY:

Applicant's Signature

Applicant's Name (Printed)

Applicant's Title

Date

FLORIDA PUBLIC SERVICE COMMISSION
INSTRUCTIONS FOR COMPLETING EXAMPLE
APPLICATION FOR TRANSFER OF AN EXEMPT ENTITY TO A REGULATED
UTILITY, OR TRANSFER OF A UTILITY IN A NON-JURISDICTIONAL COUNTY
TO A REGULATED UTILITY THAT RESULTS IN A SYSTEM WHOSE SERVICE
TRANSVERSES COUNTY BOUNDARIES

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.037(3), Florida Administrative Code)**

General Information

The attached form is an example application that may be completed by the applicant and filed with the Office of Commission Clerk to comply with Rule 25-30.037(3), Florida Administrative Code (F.A.C.). Any questions regarding this form should be directed to the Division of Engineering at (850) 413-6910.

Instructions

1. Pursuant to Rule 25-30.037(1)(a), F.A.C., if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.
2. Fill out the attached application form completely and accurately.
3. Complete all the items that apply to your utility. If an item is not applicable, mark it "N.A." Do not leave any items blank.
4. Remit the proper filing fee pursuant to Rule 25-30.020, F.A.C., with the application.
5. Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.
6. The completed application, attached exhibits, and the proper filing fee should be mailed to:

**Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

PSC 1006 (06/26) ~~(12/15)~~
Rule 25-30.037, F.A.C.

**APPLICATION FOR TRANSFER OF AN EXEMPT ENTITY TO A REGULATED
UTILITY, OR TRANSFER OF A UTILITY IN A NON-JURISDICTIONAL COUNTY
TO A REGULATED UTILITY THAT RESULTS IN A SYSTEM WHOSE SERVICE
TRANSVERSES COUNTY BOUNDARIES**

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.037(3), Florida Administrative Code)**

Pursuant to Rule 25-30.037(1)(a), F.A.C., if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.

To: **Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The undersigned hereby makes application for the transfer of facilities of a water and/or wastewater utility in _____ County, Florida, and amendment of the buyer's Water Certificate No. _____ and/or Wastewater Certificate No. _____ or granting of a new water certificate _____ and/or wastewater certificate _____, and submits the following information:

PART I APPLICANT INFORMATION

A) Contact Information for Utility/Seller. The utility/seller's certificated name, address, telephone number, and if applicable, fax number, e-mail address, and website address. The utility's name should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations:

Utility Name

Office Street Address

City State Zip Code

Mailing Address (if different from Street Address)

City State Zip Code

() - () -
Phone Number Fax Number

Federal Employer Identification Number

E-Mail Address

Website Address

- B) The contact information of the seller's authorized representative to contact concerning this application:

Name

Mailing Address

City State Zip Code

() - () -
Phone Number Fax Number

E-Mail Address

- C) Contact Information for Buyer. The buyer's certificated name, address, telephone number, Federal Employer Identification Number, and if applicable, fax number, e-mail address, website address, and new name of the utility if the buyer plans to operate under a different name. The buyer's business name, and if applicable, new utility name, should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations.

Buyer's Name

Office Street Address

City	State	Zip Code
------	-------	----------

Mailing Address (if different from Street Address)

City	State	Zip Code
------	-------	----------

() -	() -
Phone Number	Fax Number

Federal Employer Identification Number

E-Mail Address

New Utility Name

D) The contact information of the buyer's authorized representative to contact concerning this application:

Name

Mailing Address

City	State	Zip Code
------	-------	----------

() -	() -
Phone Number	Fax Number

E-Mail Address

- E) The name, address, telephone number, and if available, e-mail address and fax number of the person in possession of the books and records when the application is filed.

Name

Mailing Address

City State Zip Code

() - () -
Phone Number Fax Number

E-Mail Address

- F) Indicate the nature of the buyer's business organization (check one): Provide documentation from the Florida Department of State, Division of Corporations, showing the utility's/buyer's business name and registration/document number for the business, unless operating as a sole proprietor.

Corporation _____
Number

Limited Liability Company _____
Number

Partnership _____
Number

Limited Partnership _____
Number

Limited Liability Partnership _____
Number

Sole Proprietorship

Association

Other (Specify) _____

If the utility is doing business under a fictitious name, provide documentation from the Florida Department of State, Division of Corporations showing the utility's fictitious name and registration number for the fictitious name.

Fictitious Name (d/b/a) _____
Registration Number _____

G) The name(s), address(es), and percentage of ownership of each entity or person which owns or will own more than 5 percent interest in the utility (Use additional sheet if necessary).

H) Provide the date and state of incorporation or organization of the buyer.

PART II **TRANSFER OF CERTIFICATE**

A) DESCRIPTION OF SALE AGREEMENT

1) Exhibit ____ - Provide a copy of the contract for sale and all auxiliary or supplemental agreements. If the sale, assignment, or transfer occurs before Commission approval, the contract shall include a provision that the contract is contingent upon Commission approval.

2) Exhibit ____ - Provide documentation of the terms of the transfer, including:

a) The date the closing occurred or will occur.

b) The purchase price and terms of payment.

- c) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of non-regulated operations or entities.

- d) A description of all consideration between the parties, including promised salaries, retainer fees, stock, stock options, and assumption of obligations.

- e) Provisions regarding the disposition, where applicable, of customer deposits and interest thereon, guaranteed revenue contracts, developer agreements, customer advances, debt of the utility, and leases.

- f) A statement that the buyer will fulfill the commitments, obligations, and representations of the seller with regard to utility matters.

- g) A provision that the buyer has or will obtain the books and records of the seller, including all supporting documentation for rate base additions since the last time rate base was established for the utility;

- h) A statement that the utility's books and records will be maintained using the National Association of Regulatory Utilities Commissioners (NARUC) Uniform System of Accounts (USOA) ~~(USOA)~~ (NARUC USOA), incorporated by reference in Rule 25-30.115, F.A.C.

- i) A statement that the utility's books and records will be maintained at the utility's office(s) within Florida, or that the utility will comply with the requirements of Rule 25-30.110(1)(b) and (c), F.A.C., regarding maintenance of utility records at another location or out-of-state. If the records will not be maintained at the utility's office(s), the statement should include the location where the utility intends to maintain the books and records.

B) FINANCIAL ABILITY

- 1) Exhibit ____ - Provide a detailed financial statement (balance sheet and income statement), audited if available, of the financial condition of the applicant, that shows all assets and liabilities of every kind and character. The financial statements shall be for the preceding calendar or fiscal year. The financial statement shall be prepared in accordance with Rule 25-30.115, F.A.C. If available, a statement of the sources and uses of funds shall also be provided.
- 2) Exhibit ____ - Provide a list of all entities, including affiliates, upon which the buyer is relying to provide funding to the utility and an explanation of the manner and amount of such funding. The list need not include any person or entity holding less than 5 percent ownership interest in the utility. The applicant shall provide copies of any financial agreements between the listed entities and the utility and proof of the listed entities' ability to provide funding, such as financial statements.

C) TECHNICAL ABILITY

- 1) Exhibit ____ - Provide the buyer's experience in the water or wastewater industry.
- 2) Exhibit ____ - Provide the buyer's plans for ensuring continued operation of the utility, such as retaining the existing plant operator(s) and office personnel, or contracting with outside entities.

D) TERRITORY DESCRIPTION, PUBLIC INTEREST, MAPS AND FACILITIES

- 1) Exhibit ____ - Provide a legal description of the proposed service area in the format prescribed in Rule 25-30.029, F.A.C.

- 2) Exhibit ____ - Provide a statement explaining why the transfer is in the public interest.

- 3) Exhibit ____ - Provide a statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and compliance with all applicable standards set by the DEP, or, if the system is in need of repair or improvement, has any outstanding Notice of Violation of any standard set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a description of the repairs or improvements that have been identified, the governmental entity that required the repairs or improvements, if applicable, the approximate cost to complete the repairs or improvements, and any agreements between the seller and buyer regarding who will be responsible for any identified repairs or improvements.

- 4) Exhibit ____ - Provide documentation of the utility's right to continued long-term use of the land upon which the utility treatment facilities are located. This documentation shall be in the form of a recorded warranty deed, recorded quit claim deed accompanied by title insurance, recorded long-term lease, such as a 99-year lease, or recorded easement. The applicant may submit an unrecorded copy of the instrument granting the utility's right to access and continued use of the land upon which the utility treatment facilities are or will be located, provided the applicant files a recorded copy within the time prescribed in the order granting the transfer.

- 5) Exhibit ____ - Provide an official county tax assessment map or other map showing township, range, and section, with a scale such as 1" = 200' or 1" = 400', with the proposed territory plotted thereon, consistent with the legal description provided in D-1 above.

- 6) Exhibit ____ - Provide a statement describing the capacity of the existing lines, the capacity of the existing treatment facilities, and the design capacity of the proposed extension.

- 7) Exhibit ____ - Provide a copy of all of the utility's current permits from the Department of Environmental Protection (DEP) and the water management district.
- 8) Exhibit ____ - Provide a copy of the most recent DEP and/or county health department sanitary survey, compliance inspection report, and secondary standards drinking water report.
- 9) Exhibit ____ - Provide a copy of all of the utility's correspondence with the DEP, county health department, and water management district, including consent orders and warning letters, and the utility's responses to the same, for the past five years.
- 10) Exhibit ____ - Provide a copy of all customer complaints that the utility has received regarding DEP secondary water quality standards during the past five years.

E) PROPOSED TARIFF AND RATE INFORMATION

- 1) Exhibit ____ - Provide a tariff containing all rates, classifications, charges, rules, and regulations, which shall be consistent with Chapter 25-9, F.A.C. See Rule 25-30.037, F.A.C., for information about water and wastewater tariffs that are available and may be completed by the applicant and included in the application.
- 2) Exhibit ____ - Provide documentation of when and under what authority the current rates and charges of the exempt entity were established, if applicable. If the entity provides water or wastewater service without compensation, please describe when and under what authority it was determined that the non-jurisdictional entity would provide service without compensation.
- 3) Exhibit ____ - Provide an explanation of how the seller is either exempt pursuant to Section 367.022, F.S., or is a utility in a nonjurisdictional county.

F) **ACCOUNTING INFORMATION**

- 1) Exhibit ____ - Provide the proposed net book value of the system as of the date of the proposed transfer, and a statement setting out the reasons for the inclusion of an acquisition adjustment, if one is requested. If rate base has been established by this Commission, provide the docket and the order number. In addition, provide a schedule of all subsequent changes to rate base.

- 2) Exhibit ____ - Provide a statement from the buyer that it has obtained or will obtain copies of all of the federal income tax returns of the seller from the date the utility was first established or the rate base was last established by the Commission, whichever is later. If the tax returns have not been obtained, provide a description of the steps taken to obtain the tax returns.

- 3) Exhibit ____ - Provide a statement regarding the disposition of outstanding regulatory assessment fees, fines, or refunds owed and which entity will be responsible for paying regulatory assessment fees and filing the annual report for the year of the transfer and subsequent years.

- 4) Exhibit ____ - If the buyer currently owns other water or wastewater utilities that are regulated by this Commission, provide a schedule reflecting any economies of scale that are anticipated to be achieved within the next three years and the effect on rates for existing customers served by both the utility being purchased and the buyer's other utilities.

G) **NOTICING REQUIREMENTS**

- Exhibit ____ - Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.

PART III

SIGNATURE

Please sign and date the utility's completed application.

APPLICATION SUBMITTED BY:

Applicant's Signature

Applicant's Name (Printed)

Applicant's Title

Date

FLORIDA PUBLIC SERVICE COMMISSION

**INSTRUCTIONS FOR COMPLETING
APPLICATION FOR A TRANSFER OF MAJORITY ORGANIZATION CONTROL
OF A REGULATED UTILITY**

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.037(4), Florida Administrative Code)**

General Information

The attached form is an example application that may be completed by the applicant and filed with the Office of Commission Clerk to comply with Rule 25-30.037(4), Florida Administrative Code (F.A.C.). Any questions regarding this form should be directed to the Division of Engineering at (850) 413-6910.

Instructions

1. Pursuant to Rule 25-30.037(1)(a), F.A.C., if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.
2. Fill out the attached application form completely and accurately.
3. Complete all the items that apply to your utility. If an item is not applicable, mark it "N.A." Do not leave any items blank.
4. Remit the proper filing fee pursuant to Rule 25-30.020, F.A.C. ~~Florida Administrative Code~~, with the application.
5. Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.
6. The completed application, attached exhibits, and the proper filing fee should be mailed to:

**Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

PSC 1007 (06/26) ~~(12/15)~~
Rule 25-30.037, F.A.C.

**APPLICATION FOR A TRANSFER OF MAJORITY ORGANIZATION CONTROL
OF A REGULATED UTILITY**

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.037(4), Florida Administrative Code)**

Pursuant to Rule 25-30.037(1)(a), F.A.C., if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.

To: **Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The undersigned hereby makes application for the approval of a transfer of majority ownership of the regulated utility. The change is for all or part of the facilities operated under Water Certificate No. _____ and/or Wastewater Certificate No. _____ located in _____ County, Florida, and submits the following:

PART I APPLICANT INFORMATION

- A) Contact Information for Utility/Seller. The utility/seller's certificated name, address, telephone number, and, if applicable, fax number, e-mail address, and website address. The utility's name should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations:

Utility Name

Office Street Address

City State Zip Code

Mailing Address (if different from Street Address)

City State Zip Code

() - Phone Number () - Fax Number

Federal Employer Identification Number

E-Mail Address

Website Address

Water Certificate No. Wastewater Certificate No.

- B) The contact information of the seller's authorized representative to contact concerning this application:

Name

Mailing Address

City State Zip Code

() - Phone Number () - Fax Number

E-Mail Address

- C) Indicate the nature of the buyer's business organization (check one). Provide documentation from the Florida Department of State, Division of Corporations showing the utility's business name and registration/document number for the business, unless operating as a sole proprietor.

Corporation _____ Number

Limited Liability Company _____ Number

- Partnership _____
Number
- Limited Partnership _____
Number
- Limited Liability Partnership _____
Number
- Sole Proprietorship
- Association
- Other (Specify) _____

If the utility is doing business under a fictitious name, provide documentation from the Florida Department of State, Division of Corporations showing the utility's fictitious name and registration number for the fictitious name.

- Fictitious Name (d/b/a) _____
Registration Number

D) Contact Information for Buyer. The buyer's certificated name, address, telephone number, Federal Employer Identification Number, and if applicable, fax number, e-mail address, website address, and new name of the utility if the buyer plans to operate under a different name. The buyer's business name, and if applicable, new utility name, should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations.

Buyer's Name

Office Street Address

City State Zip Code

Mailing Address (if different from Street Address)

City State Zip Code

() - () -
Phone Number Fax Number

Federal Employer Identification Number

E-Mail Address

New Utility Name

E) The contact information of the buyer's authorized representative to contact concerning this application:

Name

Mailing Address

City State Zip Code

() - () -
Phone Number Fax Number

E-Mail Address

PART II TRANSFER OF MAJORITY OWNERSHIP

A) DESCRIPTION OF SALE AGREEMENT

- 1) Exhibit ____ - Provide a copy of the contract for sale and all auxiliary or supplemental agreements. If the sale, assignment, or transfer occurs before Commission approval, the contract shall include a provision that the contract is contingent upon Commission approval.

2) Exhibit ____ - Provide the following documentation of the terms of the transfer:

a) The date the closing occurred or will occur.

b) The purchase price and terms of payment.

c) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of non-regulated operations or entities.

d) A description of all consideration between the parties, including promised salaries, retainer fees, stock, stock options, and assumption of obligations.

e) Provisions regarding the disposition, where applicable, of customer deposits and interest thereon, guaranteed revenue contracts, developer agreements, customer advances, debt of the utility, and leases.

f) A statement that the buyer will fulfill the commitments, obligations, and representations of the seller with regard to utility matters.

- g) A provision that the buyer has or will obtain the books and records of the seller, including all supporting documentation for rate base additions since the last time rate base was established for the utility.

- h) A statement that the utility's books and records will be maintained using the National Association of Regulatory Utility Commissioners (~~NARUC~~) Uniform System of Accounts (~~USOA~~)-(NARUC USOA), incorporated by reference in Rule 25-30.115, F.A.C.

- i) A statement that the utility's books and records will be maintained at the utility's office(s) within Florida, or that the utility will comply with the requirements of Rule 25-30.110(1)(b) and (c), F.A.C., regarding maintenance of utility records at another location or out-of-state. If the records will not be maintained at the utility's office(s), the statement should include the location where the utility intends to maintain the books and records.

- 3) Exhibit ____ - Provide a description of the ownership transfer, including the date the transfer occurred or will occur and a description of the resulting ownership interests in the utility.

B) FINANCIAL ABILITY

- 1) Exhibit ____ - Provide a detailed financial statement (balance sheet and income statement), audited if available, of the financial condition of the applicant, that shows all assets and liabilities of every kind and character. The financial statements shall be for the preceding calendar or fiscal year. The financial statement shall be prepared in accordance with Rule 25-30.115, F.A.C. If available, a statement of the sources and uses of funds shall also be provided.

- 2) Exhibit ____ - Provide a list of all entities, including affiliates, upon which the buyer is relying to provide funding to the utility and an explanation of the manner and amount of such funding. The list need not include any person or entity holding less than 5 percent ownership interest in the utility. The applicant shall provide copies of any financial agreements between the listed entities and the utility and proof of the listed entities' ability to provide funding, such as financial statements.

C) **TECHNICAL ABILITY; FACILITIES**

- 1) Exhibit ____ - The buyer's experience in the water or wastewater industry.

- 2) Exhibit ____ - Provide the buyer's plans for ensuring continued operation of the utility, such as retaining the existing plant operator(s) and office personnel, or contracting with outside entities.

- 3) Exhibit ____ - Provide a statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and compliance with all applicable standards set by the DEP, or, if the system is in need of repair or improvement, has any outstanding Notice of Violation of any standard set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a description of the repairs or improvements that have been identified, the governmental entity that required the repairs or improvements, if applicable, the approximate cost to complete the repairs or improvements, and any agreements between the seller and buyer regarding who will be responsible for any identified repairs or improvements.

D) PUBLIC INTEREST, PROPOSED TARIFF, AND ACCOUNTING INFORMATION

- 1) Exhibit ____ - Provide a statement explaining why the transfer is in the public interest.

- 2) Exhibit ____ - Provide tariff sheets reflecting any changes resulting from the transfer. See Rule 25-30.037, F.A.C., for information about water and wastewater tariff forms that are available and may be completed by the applicant and included in the application.

- 3) Exhibit ____ - Provide a statement regarding the disposition of outstanding regulatory assessment fees, fines, or refunds owed and which entity will be responsible for paying regulatory assessment fees and filing the annual report for the year of the transfer and subsequent years.

E) NOTICING REQUIREMENTS

- 1) Exhibit ____ - Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.

PART III SIGNATURE

Please sign and date the utility's completed application.

APPLICATION SUBMITTED BY: _____
Applicant's Signature

Applicant's Name (Printed)

Applicant's Title

Date

FLORIDA PUBLIC SERVICE COMMISSION
INSTRUCTIONS FOR COMPLETING EXAMPLE
APPLICATION FOR TRANSFER OF FACILITIES
FROM A REGULATED UTILITY TO AN EXEMPT ENTITY
OTHER THAN A GOVERNMENTAL AUTHORITY

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.037(5), Florida Administrative Code)**

General Information

The attached form is an example application that may be completed by the applicant and filed with the Office of Commission Clerk to comply with Rule 25-30.037(5), Florida Administrative Code (F.A.C.). Any questions regarding this form should be directed to the Division of Engineering at (850) 413-6910.

Instructions

1. Pursuant to Rule 25-30.037(1)(a), F.A.C., if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.
2. Fill out the attached application form completely and accurately.
3. Complete all the items that apply to your utility. If an item is not applicable, mark it "N.A." Do not leave any items blank.
4. Remit the proper filing fee pursuant to Rule 25-30.020, F.A.C., with the application.
5. Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.
6. The completed application, attached exhibits, and the proper filing fee should be mailed to:

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

PSC 1008 ~~(06/26)~~ (42/15)
Rule 25-30.037, F.A.C.

**APPLICATION FOR TRANSFER OF FACILITIES
FROM A REGULATED UTILITY TO AN EXEMPT ENTITY
OTHER THAN A GOVERNMENTAL AUTHORITY**

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.037(5), Florida Administrative Code)**

To: **Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The undersigned hereby makes application for the approval of the transfer of all or part of the facilities operated under Water Certificate No. _____ and/or Wastewater Certificate No. _____ and amendment or cancellation of Water Certificate No. _____ and/or Wastewater Certificate No. _____ located in _____ County, Florida, and submits the following:

PART I APPLICANT INFORMATION

- A) Contact Information for Utility/Seller. The utility/seller's certificated name, address, telephone number, and, if applicable, fax number, e-mail address, and website address. The utility's name should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations:

Utility Name

Office Street Address

City State Zip Code

Mailing Address (if different from Street Address)

City State Zip Code

() - () -
Phone Number Fax Number

Federal Employer Identification Number

Association

Other (Specify) _____

If the utility is doing business under a fictitious name, provide documentation from the Florida Department of State, Division of Corporations showing the utility's fictitious name and registration number for the fictitious name.

Fictitious Name (d/b/a) _____
Registration Number

- D) Contact Information for Buyer. The buyer's certificated name, address, telephone number, Federal Employer Identification Number, and if applicable, fax number, e-mail address, website address, and new name of the utility if the buyer plans to operate under a different name. The buyer's business name, and if applicable, new utility name, should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations.

Buyer's Name

Office Street Address

City State Zip Code

Mailing Address (if different from Street Address)

City State Zip Code

() - () -
Phone Number Fax Number

Federal Employer Identification Number

E-Mail Address

New Utility Name

- E) The contact information of the buyer's authorized representative to contact concerning this application:

Name

Mailing Address

City

State

Zip Code

() -
Phone Number

() -
Fax Number

E-Mail Address

PART II

TRANSFER OF FACILITIES

A) **DESCRIPTION OF SALE AGREEMENT**

- 1) Exhibit ____ - Provide a copy of the contract for sale and all auxiliary or supplemental agreements. If the sale, assignment, or transfer occurs prior to Commission approval, the contract shall include a provision stating that the contract is contingent upon Commission approval.
- 2) Exhibit ____ - The buyer must provide the following documentation of the terms of the transfer:
 - a) The closing date.

- - b) A statement regarding the disposition of customer deposits and interest thereon.

- c) A statement regarding the disposition of any outstanding regulatory assessment fees, fines, refunds, or annual reports.

B) FINANCIAL ABILITY

- 1) Exhibit ____ - Provide a detailed financial statement (balance sheet and income statement), audited if available, of the financial condition of the applicant, that shows all assets and liabilities of every kind and character. The financial statements shall be for the preceding calendar or fiscal year. The financial statement shall be prepared in accordance with Rule 25-30.115, F.A.C. If available, a statement of the sources and uses of funds shall also be provided.

- 2) Exhibit ____ - Provide a list of all entities, including affiliates, upon which the buyer is relying to provide funding to the utility and an explanation of the manner and amount of such funding. The list need not include any person or entity holding less than 5 percent ownership interest in the utility. The applicant shall provide copies of any financial agreements between the listed entities and the utility and proof of the listed entities' ability to provide funding, such as financial statements.

C) TECHNICAL ABILITY; FACILITIES

- 1) Exhibit ____ - Provide a description of the buyer's experience in the water or wastewater industry.
-
- 2) Exhibit ____ - Provide an explanation of the buyer's plans for ensuring continued operation of the utility, such as retaining the existing plant operator(s) and office personnel, or contracting with outside entities.

- 3) Exhibit ____ - Provide a copy of all of the utility's current permits from the Department of Environmental Protection (DEP) and the water management district.
- 4) Exhibit ____ - Provide a copy of the most recent DEP and/or county health department sanitary survey, compliance inspection report, and secondary water quality standards report.
- 5) Exhibit ____ - Provide a copy of all of the utility's correspondence with the DEP, county health department, and water management district, including consent orders and warning letters, and the utility's responses to the same, for the past five years.
- 6) Exhibit ____ - Provide a copy of all customer complaints that the utility has received regarding DEP secondary water quality standards during the past five years.

D) PUBLIC INTEREST AND EXEMPT STATUS

- 1) Exhibit ____ - Provide a statement explaining why the transfer is in the public interest.

- 2) Exhibit ____ - Provide an explanation of how the buyer is exempt pursuant to Section 367.022, ~~F.S.~~ Florida Statutes.

E) NOTICING REQUIREMENTS

- Exhibit ____ - Provide proof of noticing pursuant to Rule 25-30.030, F.A.C. This may be provided as a late-filed exhibit.

PART III

SIGNATURE

Please sign and date the utility's completed application.

APPLICATION SUBMITTED BY:

Applicant's Signature

Applicant's Name (Printed)

Applicant's Title

Date

WATER TARIFF

NAME OF COMPANY

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

Form PSC 1010 (06/26) (12/15)
Rule 25-30.033, F.A.C.

ORIGINAL SHEET NO. 1.0

WATER TARIFF

NAME OF COMPANY

(ADDRESS OF COMPANY)

(Business & Emergency Telephone Numbers)

ISSUING OFFICER

TITLE

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL SHEET NO. 2.0

WATER TARIFF

TABLE OF CONTENTS

	Sheet Number
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Description of Territory Served	3.1
Index of	
Rates and Charges Schedules	11.0
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Service Availability Policy and Charges	17.0
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ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 3.0

WATER TARIFF

TERRITORY AUTHORITY

CERTIFICATE NUMBER -

COUNTY -

COMMISSION ORDER(S) APPROVING TERRITORY SERVED -

Order Number

Date Issued

Docket Number

Filing Type

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 3.1

WATER TARIFF

DESCRIPTION OF TERRITORY SERVED

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 4.0

WATER TARIFF

COMMUNITIES SERVED LISTING

County Name	Development Name	Rate Schedule(s) Available	Sheet No.
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ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 5.0

WATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for water consumption.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide water service in a specific territory.
- 3.0 "COMMISSION" - The shortened name for the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" - The group of Customers who receive water service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - The shortened name for the full name of the utility which is _____.
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for rendering water service to the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or other facility used to convey water service to individual service lines or through other mains.
- 9.0 "RATE@" - Amount which the Company may charge for water service which is applied to the Customer's ~~Customer's~~ actual consumption.
- 10.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 "SERVICE" - As mentioned in this tariff and in agreement with Customers, ~~AService@~~ shall be construed to include, in addition to all water service required by the Customer, the readiness and ability on the part of the Company to furnish water service to the Customer. Service shall conform to the standards set forth in Section 367.111, ~~of the~~ Florida Statutes.

(Continued to Sheet No.5.1)

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 5.1

WATER TARIFF

(Continued from Sheet No. 5.0)

- 12.0 "SERVICE CONNECTION" - The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 "SERVICE LINES" - The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 "TERRITORY" - The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 6.0

WATER TARIFF

INDEX OF RULES AND REGULATIONS

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Adjustment of Bills.....	10.0	22.0
Adjustment of Bills for Meter Error	10.0	23.0
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(Continued to Sheet No. 6.1)

 ISSUING OFFICER

 TITLE

ORIGINAL SHEET NO. 6.1

WATER TARIFF

(Continued from Sheet No. 6.0)

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Protection of Company's Property	8.0	12.0
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Type and Maintenance	7.0	7.0
Unauthorized Connections - Water	10.0	19.0

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 7.0

WATER TARIFF

RULES AND REGULATIONS

- 1.0 GENERAL INFORMATION - These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every Customer to whom the Company renders water service.
- The Company shall provide water service to all Customers requiring such service within its Certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.
- 2.0 TARIFF DISPUTE - Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall be resolved pursuant to Rule 25-22.032, Florida Administrative Code.
- 3.0 APPLICATION - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.
- 4.0 APPLICATIONS BY AGENTS - Applications for water service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.
- 5.0 REFUSAL OR DISCONTINUANCE OF SERVICE - The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.
- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.
- 7.0 TYPE AND MAINTENANCE - In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service. The Company reserves the right to discontinue or withhold water service to such apparatus or device.
- 8.0 DELINQUENT BILLS - When it has been determined that a Customer is delinquent in paying any bill, water service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.

(Continued on Sheet No. 8.0)

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 8.0

WATER TARIFF

(Continued from Sheet No. 7.0)

- 9.0 CONTINUITY OF SERVICE - In accordance with Rule 25-30.250, Florida Administrative Code, the Company will at all times use reasonable diligence to provide continuous water service and, having used reasonable diligence, shall not be liable to the Customer for failure or interruption of continuous water service.

If at any time the Company shall interrupt or discontinue its service, all Customers affected by said interruption or discontinuance shall be given not less than 24 hours written notice.

- 10.0 LIMITATION OF USE - Water service purchased from the Company shall be used by the Customer only for the purposes specified in the application for water service. Water service shall be rendered to the Customer for the Customer's own use and the Customer shall not sell or otherwise dispose of such water service supplied by the Company.

In no case shall a Customer, except with the written consent of the Company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish water service to the adjacent property through one meter even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the Customer's water service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for water service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections. (This shall not be construed as prohibiting a Customer from remetering.)

- 11.0 CHANGE OF CUSTOMER'S INSTALLATION - No changes or increases in the Customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company, shall be made without written consent of the Company. The Customer shall be liable for any charge resulting from a violation of this Rule.

- 12.0 PROTECTION OF COMPANY'S PROPERTY - The Customer shall exercise reasonable diligence to protect the Company's property. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code.

In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.

(Continued on Sheet No. 9.0)

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 9.0

WATER TARIFF

(Continued from Sheet No. 8.0)

- 13.0 INSPECTION OF CUSTOMER'S INSTALLATION - All Customer's water service installations or changes shall be inspected upon completion by a competent authority to ensure that the Customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local laws and governmental regulations. Where municipal or other governmental inspection is required by local rules and ordinances, the Company cannot render water service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

Notwithstanding the above, the Company reserves the right to inspect the Customer's installation prior to rendering water service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

- 14.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.

- 15.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of water service.

- 16.0 CUSTOMER BILLING - Bills for water service will be rendered Monthly, Bimonthly, or Quarterly as stated in the rate schedule.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

A municipal or county franchise tax levied upon a water or wastewater public Company shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.

If a Company utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.

- 17.0 TERMINATION OF SERVICE - When a Customer wishes to terminate service on any premises where water service is supplied by the Company, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.

(Continued on Sheet No. 10.0)

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 10.0

WATER TARIFF

(Continued from Sheet No. 9.0)

- 18.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any water service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any wastewater service bill rendered by the Company.
- 19.0 UNAUTHORIZED CONNECTIONS - WATER - Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 METERS - All water meters shall be furnished by and remain the property of the Company and shall be accessible and subject to its control, in accordance with Rule 25-30.230, Florida Administrative Code.
- 21.0 ALL WATER THROUGH METER - That portion of the Customer's installation for water service shall be so arranged to ensure that all water service shall pass through the meter. No temporary pipes, nipples or spaces are permitted and under no circumstances are connections allowed which may permit water to by-pass the meter or metering equipment.
- 22.0 ADJUSTMENT OF BILLS - When a Customer has been undercharged as a result of incorrect application of the rate schedule, incorrect reading of the meter, incorrect connection of the meter, or other similar reasons, the amount may be refunded or billed to the Customer as the case may be pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 23.0 ADJUSTMENT OF BILLS FOR METER ERROR - When meter tests are made by the Commission or by the Company, the accuracy of registration of the meter and its performance shall conform with Rule 25-30.262, Florida Administrative Code and any adjustment of a bill due to a meter found to be in error as a result of any meter test performed whether for unauthorized use or for a meter found to be fast, slow, non-registering, or partially registering, shall conform with Rule 25-30.340, Florida Administrative Code.
- 24.0 METER ACCURACY REQUIREMENTS - All meters used by the Company should conform to the provisions of Rule 25-30.262, Florida Administrative Code.
- 25.0 FILING OF CONTRACTS - Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 11.0

WATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

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General Service, GS.....	12.0
Meter Test Deposit.....	15.0
Miscellaneous Service Charges.....	16.0
Residential Service, RS.....	13.0

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 12.0

WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service to all Customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD -
- RATE -

<u>Meter Sizes</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$
3/4"	\$
1"	\$
1 1/2"	\$
2"	\$
3"	\$
4"	\$
6"	\$
8"	\$
10"	\$
Charge per 1,000 gallons	\$

- MINIMUM CHARGE - Base Facility Charge
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.
- EFFECTIVE DATE -
- TYPE OF FILING -

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 13.0

WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For water service for all purposes in private residences and individually metered apartment units.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD -
- RATE -

Base Facility Charge

All Meter Sizes	\$
Charge per 1,000 gallons 10,000 cap	\$

- MINIMUM CHARGE - Base Facility Charge
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.
- EFFECTIVE DATE -
- TYPE OF FILING -

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 14.0

WATER TARIFF

CUSTOMER DEPOSITS

ESTABLISHMENT OF CREDIT - Before rendering water service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	_____	_____
1"	_____	_____
1 1/2"	_____	_____
Over 2"	_____	_____

ADDITIONAL DEPOSIT - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rules 25-30.311(4) and (4a).

REFUND OF DEPOSIT - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rules 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING -

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 15.0

WATER TARIFF

METER TEST DEPOSIT

METER BENCH TEST REQUEST - If any Customer requests a bench test of his or her water meter, in accordance with Rule 25-30.266, Florida Administrative Code, the Company may require a deposit to defray the cost of testing; such deposit shall not exceed the schedule of fees found in Rule 25-30.266, Florida Administrative Code.

<u>METER SIZE</u>	<u>FEE</u>
5/8" x 3/4"	\$20.00
1" and 1 1/2"	\$25.00
2" and over	Actual Cost

REFUND OF METER BENCH TEST DEPOSIT - The Company may refund the meter bench test deposit in accordance with Rule 25-30.266, Florida Administrative Code.

METER FIELD TEST REQUEST - A Customer may request a no-charge field test of the accuracy of a meter in accordance with Rule 25-30.266, Florida Administrative Code.

EFFECTIVE DATE -

TYPE OF FILING -

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 16.0

WATER TARIFF

MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

INITIAL CONNECTION - This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

VIOLATION RECONNECTION - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Charge	\$ _____
Normal Reconnection Charge	\$ _____
Violation Reconnection Charge	\$Actual Cost (1)
Premises Visit Charge (in lieu of disconnection)	\$ _____

EFFECTIVE DATE -

TYPE OF FILING -

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 17.0

WATER TARIFF

INDEX OF SERVICE AVAILABILITY POLICY AND CHARGES

<u>Description</u>	<u>Sheet Number</u>
Schedule of Charges.....	19.0
Service Availability Policy.....	18.0

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 18.0

WATER TARIFF

SERVICE AVAILABILITY POLICY

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 19.0

WATER TARIFF

SERVICE AVAILABILITY CHARGES

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 20.0

WATER TARIFF

INDEX OF STANDARD FORMS

<u>Description</u>	<u>Sheet No.</u>
APPLICATION FOR WATER SERVICE.....	21.0
COPY OF CUSTOMER'S BILL.....	22.0

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 21.0

WATER TARIFF

APPLICATION FOR WATER SERVICE

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 22.0

WATER TARIFF

COPY OF CUSTOMER'S BILL

ISSUING OFFICER

TITLE

WASTEWATER TARIFF

NAME OF COMPANY

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

Form PSC 1011 ~~(06/26)~~ (42/45)
Rule 25-30.033, F.A.C.

ORIGINAL SHEET NO. 1.0

WASTEWATER TARIFF

NAME OF COMPANY

(ADDRESS OF COMPANY)

(Business & Emergency Telephone Numbers)

ISSUING OFFICER

TITLE

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL SHEET NO. 2.0

WASTEWATER TARIFF

TABLE OF CONTENTS

	Sheet Number
Communities Served Listing	4.0
Description of Territory Served	3.1
Index of	
Rates and Charges Schedules	11.0
Rules and Regulations	7.0
Service Availability Policy and Charges	17.0
Standard Forms	19.0
Technical Terms and Abbreviations	5.0
Territory Authority	3.1

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 3.0

WASTEWATER TARIFF

TERRITORY AUTHORITY

CERTIFICATE NUMBER: _____

COUNTY: _____

COMMISSION ORDER(S) APPROVING TERRITORY SERVED -

Order Number

Date Issued

Docket Number

Filing Type

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 3.1

WASTEWATER TARIFF

DESCRIPTION OF TERRITORY SERVED

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 4.0

WASTEWATER TARIFF

COMMUNITIES SERVED LISTING

County Name	Development Name	Rate Schedule(s) Available	Sheet No.
-------------	------------------	----------------------------------	--------------

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 5.0

WASTEWATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for wastewater consumption.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide wastewater service in a specific territory.
- 3.0 "COMMISSION" - The shortened name for the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" - The group of Customers who receive wastewater service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - The shortened name for the full name of the utility which is .
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive wastewater service from the Company and who is liable for the payment of that wastewater service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for disposing of wastewater located on the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or other facility used to convey wastewater service from individual service lines or through other mains.
- 9.0 "A RATE" - Amount which the Company may charge for wastewater service which is applied to the Customer's ~~Customer's~~ water consumption.
- 10.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 "SERVICE" - As mentioned in this tariff and in agreement with Customers, ~~Service~~ shall be construed to include, in addition to all wastewater service required by the Customer, the readiness and ability on the part of the Company to furnish wastewater service to the Customer. Service shall conform to the standards set forth in Section 367.111, ~~of the~~ Florida Statutes.

(Continued to Sheet No. 5.)

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 5.0

WASTEWATER TARIFF

(Continued from Sheet No. 5.0)

- 12.0 "SERVICE CONNECTION" - The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 "SERVICE LINES" - The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 "TERRITORY" - The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 6.0

WASTEWATER TARIFF

INDEX OF RULES AND REGULATIONS

	<u>Sheet Number:</u>	<u>Rule Number:</u>
Access to Premises.....	9.0	12.0
Adjustment of Bills.....	10.0	20.0
Application.....	7.0	3.0
Applications by Agents.....	7.0	4.0
Change of Customer's Installation.....	8.0	10.0
Continuity of Service.....	8.0	8.0
Customer Billing.....	9.0	15.0
Delinquent Bills.....	10.0	17.0
Evidence of Consumption.....	10.0	22.0
Extensions.....	7.0	6.0
Filing of Contracts.....	10.0	21.0
General Information.....	7.0	1.0
Inspection of Customer's Installation.....	8.0	11.0
Limitation of Use.....	8.0	9.0
Payment of Water and Wastewater Service Bills Concurrently.....	9.0	16.0
Tariff Dispute.....	7.0	2.0
Protection of Company's Property.....	9.0	13.0
Refusal or Discontinuance of Service.....	7.0	5.0

(Continued to Sheet No. 6.1)

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 6.1

WASTEWATER TARIFF

(Continued from Sheet No. 6.0)

	<u>Sheet Number:</u>	<u>Rule Number:</u>
Right-of-way or Easements	9.0	14.0
Termination of Service	10.0	18.0
Type and Maintenance	7.0	7.0
Unauthorized Connections - Wastewater	10.0	19.0

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 7.0

WASTEWATER TARIFF

RULES AND REGULATIONS

- 1.0 GENERAL INFORMATION - These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every Customer to whom the Company renders wastewater service.
- The Company shall provide wastewater service to all Customers requiring such service within its Certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.
- 2.0 TARIFF DISPUTE - Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall be resolved pursuant to Rule 25-22.032, Florida Administrative Code.
- 3.0 APPLICATION - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.
- 4.0 APPLICATIONS BY AGENTS - Applications for wastewater service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.
- 5.0 REFUSAL OR DISCONTINUANCE OF SERVICE - The Company may refuse or discontinue wastewater service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.
- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.
- 7.0 TYPE AND MAINTENANCE - In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the wastewater service. The Company reserves the right to discontinue or withhold wastewater service to such apparatus or device.

(Continued on Sheet No. 8.0)

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 8.0

WASTEWATER TARIFF

(Continued from Sheet No. 7.0)

8.0 CONTINUITY OF SERVICE - In accordance with Rule 25-30.250, Florida Administrative Code, the Company will at all times use reasonable diligence to provide continuous wastewater service and, having used reasonable diligence, shall not be liable to the Customer for failure or interruption of continuous wastewater service.

If at any time the Company shall interrupt or discontinue its service, all Customers affected by said interruption or discontinuance shall be given not less than 24 hours written notice.

9.0 LIMITATION OF USE - Wastewater service purchased from the Company shall be used by the Customer only for the purposes specified in the application for wastewater service. Wastewater service shall be rendered to the Customer for the Customer's own use and shall be collected directly into the Company's main wastewater lines.

In no case shall a Customer, except with the written consent of the Company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish wastewater service to the adjacent property even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the Customer's wastewater service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for wastewater service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections. (This shall not be construed as prohibiting a Customer from remetering.)

10.0 CHANGE OF CUSTOMER'S INSTALLATION - No changes or increases in the Customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company, shall be made without written consent of the Company. The Customer shall be liable for any change resulting from a violation of this Rule.

11.0 INSPECTION OF CUSTOMER'S INSTALLATION - All Customer's wastewater service installations or changes shall be inspected upon completion by a competent authority to ensure that the Customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local laws and governmental regulations. Where municipal or other governmental inspection is required by local rules and ordinances, the Company cannot render wastewater service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

Notwithstanding the above, the Company reserves the right to inspect the Customer's installation prior to rendering wastewater service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

(Continued on Sheet No. 9.0)

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 9.0

WASTEWATER TARIFF

(Continued from Sheet No.8.0)

- 12.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.
- 13.0 PROTECTION OF COMPANY'S PROPERTY - The Customer shall exercise reasonable diligence to protect the Company's property. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code. In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.
- 14.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of wastewater service.
- 15.0 CUSTOMER BILLING - Bills for wastewater service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

A municipal or county franchise tax levied upon a water or wastewater public utility shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.

If a utility utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.

- 16.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any wastewater service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any water service bill rendered by the Company.

(Continued on Sheet No. 10.0)

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 10.0

WASTEWATER TARIFF

(Continued from Sheet No. 9.0)

- 17.0 DELINQUENT BILLS - When it has been determined that a Customer is delinquent in paying any bill, wastewater service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.
- 18.0 TERMINATION OF SERVICE - When a Customer wishes to terminate service on any premises where wastewater service is supplied by the Company, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.
- 19.0 UNAUTHORIZED CONNECTIONS - WASTEWATER - Any unauthorized connections to the Customer's wastewater service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 ADJUSTMENT OF BILLS - When a Customer has been undercharged as a result of incorrect application of the rate schedule or, if wastewater service is measured by water consumption and a meter error is determined, the amount may be credited or billed to the Customer as the case may be, pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 21.0 FILING OF CONTRACTS - Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.
- 22.0 EVIDENCE OF CONSUMPTION - The initiation or continuation or resumption of water service to the Customer's premises shall constitute the initiation or continuation or resumption of wastewater service to the Customer's premises regardless of occupancy.

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 11.0

WASTEWATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

	<u>Sheet Number</u>
Customer Deposits.....	14.0
General Service, GS.....	12.0
Miscellaneous Service Charges.....	15.0
Residential Service, RS.....	13.0

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 12.0

WASTEWATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For wastewater service to all Customers for which no other schedule applies.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD -

RATE -

<u>Meter Sizes</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$
3/4"	\$
1"	\$
1 1/2"	\$
2"	\$
3"	\$
4"	\$
6"	\$
8"	\$
10"	\$
Charge per 1,000 gallons	\$

MINIMUM CHARGE - Base Facility Charge

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for wastewater service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING -

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 13.0

WASTEWATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

- AVAILABILITY - Available throughout the area served by the Company.
- APPLICABILITY - For wastewater service for all purposes in private residences and individually metered apartment units.
- LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD -
- RATE -

Base Facility Charge

All Meter Sizes	\$
Charge per 1,000 gallons 10,000 cap	\$

- MINIMUM CHARGE - Base Facility Charge
- TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for wastewater service, service may then be discontinued.
- EFFECTIVE DATE -
- TYPE OF FILING -

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 14.0

WASTEWATER TARIFF

CUSTOMER DEPOSITS

ESTABLISHMENT OF CREDIT - Before rendering wastewater service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	_____	_____
1"	_____	_____
1 1/2"	_____	_____
Over 2"	_____	_____

ADDITIONAL DEPOSIT - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rule 25-30.311(4) and (4a).

REFUND OF DEPOSIT - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rule 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING -

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 15.0

WASTEWATER TARIFF

MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms state herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

INITIAL CONNECTION - This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

VIOLATION RECONNECTION - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Charge	\$ _____
Normal Reconnection Charge	\$ _____
Violation Reconnection Charge	\$Actual Cost (1)
Premises Visit Charge (in lieu of disconnection)	\$ _____

(1) Actual Cost is equal to the total cost incurred for services.

EFFECTIVE DATE -

TYPE OF FILING -

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 16.0

WASTEWATER TARIFF

INDEX OF SERVICE AVAILABILITY POLICY AND CHARGES

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ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 17.0

WASTEWATER TARIFF

SERVICE AVAILABILITY POLICY

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 18.0

WASTEWATER TARIFF

SERVICE AVAILABILITY CHARGES

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 19.0

WASTEWATER TARIFF

INDEX OF STANDARD FORMS

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APPLICATION FOR WASTEWATER SERVICE	20.0
COPY OF CUSTOMER'S BILL	21.0

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 20.0

WASTEWATER TARIFF

APPLICATION FOR WASTEWATER SERVICE

ISSUING OFFICER

TITLE

ORIGINAL SHEET NO. 21.0

WASTEWATER TARIFF

COPY OF CUSTOMER'S BILL

ISSUING OFFICER

TITLE

CLASS "A" OR "B"

WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of More Than \$350,000 ~~\$200,000~~ Each)

ANNUAL REPORT

OF

Exact Legal Name of Respondent

Certificate Number(s)

Submitted To The
STATE OF FLORIDA



PUBLIC SERVICE COMMISSION
FOR THE
YEAR ENDED DECEMBER 31, _____

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GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the ~~1996~~ National Association of Regulatory Utility Commissioners Uniform System of Accounts for Water and/or Wastewater Utilities (NARUC USOA), incorporated by reference in Rule 25-30.115, Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the NARUC USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent, enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day ~~must~~ should be stated as well as the year.
6. All schedules requiring dollar entries ~~must~~ should be rounded to the nearest dollar unless otherwise specifically indicated.
7. Complete this report by means which result in a permanent record, such as by computer or typewriter.
8. If there is not enough room on any schedule, an additional page or pages may be added, provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule ~~must~~ should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statement ~~must~~ should be made at the bottom of the page or an additional page inserted. Any additional pages ~~must~~ should state the name of the utility, the year of the report, and reference the appropriate schedule.
10. For water and wastewater utilities with more than one rate group and/or system, water and wastewater pages should be completed for each rate group and/or system group. These pages ~~must~~ should be grouped together and tabbed by rate group and/or system.
11. All other water and wastewater operations not regulated by the Commission and other regulated industries should be reported as "Other than Reporting Systems."
12. Financial information for multiple systems charging rates which are covered under the same tariff should be reported as one system. However, the engineering data must be reported by individual system.
13. For water and wastewater utilities with more than one system, one (1) copy of workpapers showing the consolidation of systems for the operating sections, ~~must~~ should be filed with the annual report.
14. The report should be ~~completed filled out in quadruplicate and the original and two copies~~ returned by March 31, of the year following the date of the report. The report should be emailed to AnnualReport@psc.state.fl.us or mailed to:

**Florida Public Service Commission
Division of Accounting and Finance
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

~~The fourth copy should be retained by the utility.~~

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EXECUTIVE SUMMARY

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UTILITY NAME: _____

YEAR OF REPORT December 31,

VERIFICATION-OF ANNUAL REPORT

I HEREBY VERIFY, to the best of my knowledge and belief:

- | | | |
|---------------------------------|--------------------------------|--|
| YES
<input type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission. |
| YES
<input type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input type="checkbox"/> | NO
<input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the the financial statement of the utility. |
| YES
<input type="checkbox"/> | NO
<input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the the report as to the business affairs of the respondent are true, correct and complete for the period for which it represents. |

(Signature of Chief Executive Officer of the utility) *

(Signature of Chief Financial Officer of the utility) *

NOTICE: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

ANNUAL REPORT OF

YEAR OF REPORT
December 31,

(Exact Name of Utility) County: _____

List below the exact mailing address of the utility for which normal correspondence should be sent:

Telephone: _____

E Mail Address: _____

WEB Site: _____

Sunshine State One-Call of Florida, Inc. Member Number _____

Name and address of person to whom correspondence concerning this report should be addressed:

Telephone: _____

List below the address of where the utility's books and records are located:

Telephone: _____

List below any groups auditing or reviewing the records and operations:

Date of original organization of the utility: _____

Check the appropriate business entity of the utility as filed with the Internal Revenue Service

Individual Partnership Sub S Corporation 1120 Corporation

List below every corporation or person owning or holding directly or indirectly 5% or more of the voting securities of the utility:

	Name	Percent Ownership
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____
6.	_____	_____
7.	_____	_____
8.	_____	_____
9.	_____	_____
10.	_____	_____

UTILITY NAME: _____

YEAR OF REPORT December 31,

COMPANY PROFILE

Provide a brief narrative company profile which covers the following areas:

- A. Brief company history.
- B. Public services rendered.
- C. Major goals and objectives.
- D. Major operating divisions and functions.
- E. Current and projected growth patterns.
- F. Major transactions having a material effect on operations.

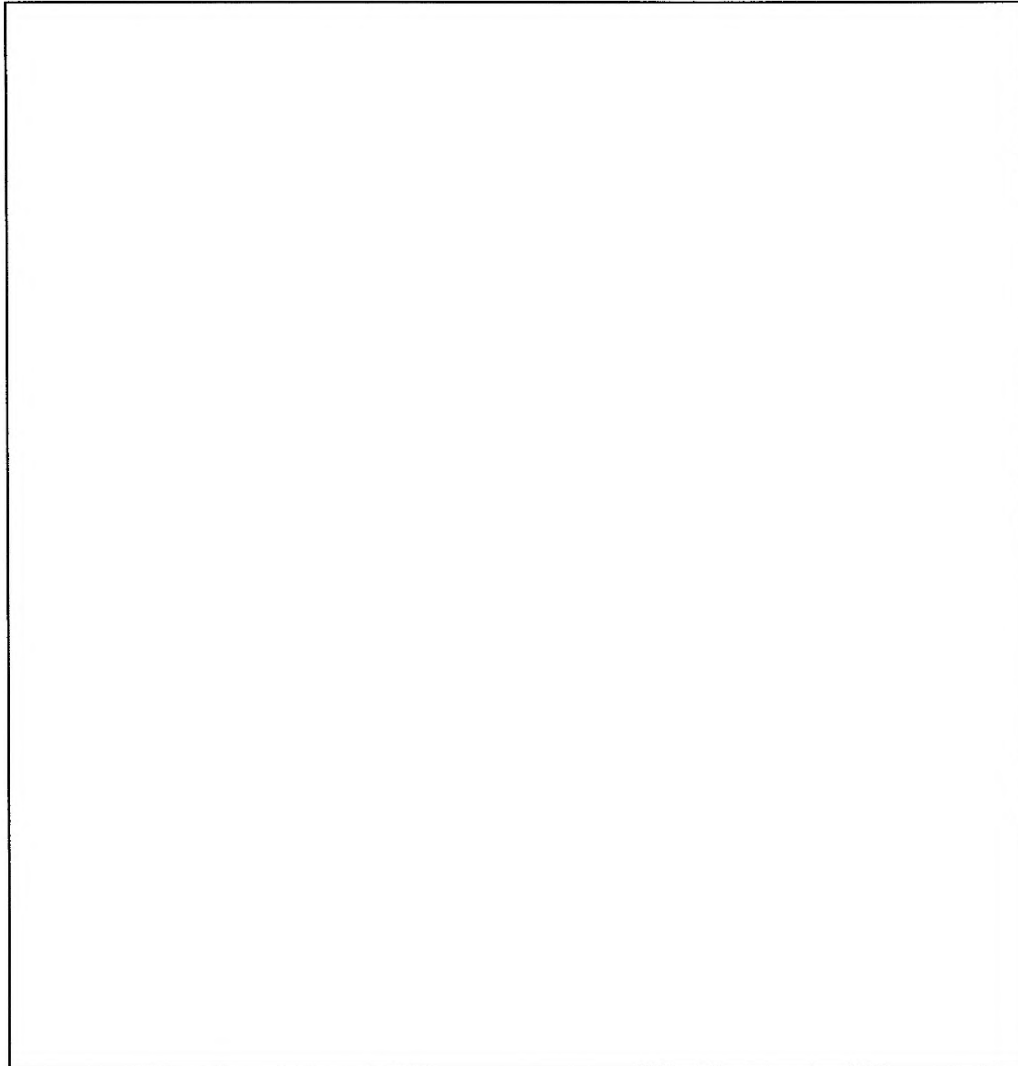
UTILITY NAME: _____

YEAR OF REPORT December 31, _____

PARENT / AFFILIATE ORGANIZATION CHART

Current as of _____

Complete below an organizational chart that show all parents, subsidiaries and affiliates of the utility.
The chart must also show the relationship between the utility and affiliates listed on E-7, E-10(a) and E-10(b).



E-5

UTILITY NAME: _____

YEAR OF REPORT December 31,

COMPENSATION OF OFFICERS

For each officer, list the time spent on respondent as an officer compared to time spent on total business activities and the compensation received as an officer from the respondent.			
NAME (a)	TITLE (b)	% OF TIME SPENT AS OFFICER OF THE UTILITY (c)	OFFICERS' COMPENSATION (d)
			\$ _____

COMPENSATION OF DIRECTORS

For each director, list the number of director meetings attended by each director and the compensation received as a director from the respondent.			
NAME (a)	TITLE (b)	NUMBER OF DIRECTORS' MEETINGS ATTENDED (c)	DIRECTORS' COMPENSATION (d)
			\$ _____

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FINANCIAL SECTION

UTILITY NAME: _____

YEAR OF REPORT
December 31,

**COMPARATIVE BALANCE SHEET
 ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-7	\$ _____	\$ _____
108-110	Less: Accumulated Depreciation and Amortization	F-8	\$ _____	\$ _____
Net Plant			\$ _____	\$ _____
114-115	Utility Plant Acquisition adjustment (Net)	F-7	\$ _____	\$ _____
116 *	Other Utility Plant Adjustments		\$ _____	\$ _____
Total Net Utility Plant			\$ _____	\$ _____
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-9	\$ _____	\$ _____
122	Less: Accumulated Depreciation and Amortization		\$ _____	\$ _____
Net Nonutility Property			\$ _____	\$ _____
123	Investment in Associated Companies	F-10	\$ _____	\$ _____
124	Utility Investments	F-10	\$ _____	\$ _____
125	Other Investments	F-10	\$ _____	\$ _____
126-127	Special Funds	F-10	\$ _____	\$ _____
Total Other Property & Investments			\$ _____	\$ _____
CURRENT AND ACCRUED ASSETS				
131	Cash		\$ _____	\$ _____
132	Special Deposits	F-9	\$ _____	\$ _____
133	Other Special Deposits	F-9	\$ _____	\$ _____
134	Working Funds		\$ _____	\$ _____
135	Temporary Cash Investments		\$ _____	\$ _____
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-11	\$ _____	\$ _____
145	Accounts Receivable from Associated Companies	F-12	\$ _____	\$ _____
146	Notes Receivable from Associated Companies	F-12	\$ _____	\$ _____
151-153	Material and Supplies		\$ _____	\$ _____
161	Stores Expense		\$ _____	\$ _____
162	Prepayments		\$ _____	\$ _____
171	Accrued Interest and Dividends Receivable		\$ _____	\$ _____
172 *	Rents Receivable		\$ _____	\$ _____
173 *	Accrued Utility Revenues		\$ _____	\$ _____
174	Miscellaneous Current and Accrued Assets	F-12	\$ _____	\$ _____
Total Current and Accrued Assets			\$ _____	\$ _____

* Not Applicable for Class B Utilities

UTILITY NAME: _____

YEAR OF REPORT December 31,

**COMPARATIVE BALANCE SHEET
 ASSETS AND OTHER DEBITS**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-13	\$ _____	\$ _____
182	Extraordinary Property Losses	F-13	_____	_____
183	Preliminary Survey & Investigation Charges		_____	_____
184	Clearing Accounts		_____	_____
185 *	Temporary Facilities		_____	_____
186	Miscellaneous Deferred Debits	F-14	_____	_____
187 *	Research & Development Expenditures		_____	_____
190	Accumulated Deferred Income Taxes		_____	_____
Total Deferred Debits			\$ _____	\$ _____
TOTAL ASSETS AND OTHER DEBITS			\$ _____	\$ _____

* Not Applicable for Class B Utilities

<p><u>NOTES TO THE BALANCE SHEET</u></p> <p>The space below is provided for important notes regarding the balance sheet.</p>
--

UTILITY NAME: _____

YEAR OF REPORT December 31,

**COMPARATIVE BALANCE SHEET
 EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-15	\$ _____	\$ _____
204	Preferred Stock Issued	F-15	_____	_____
202,205 *	Capital Stock Subscribed		_____	_____
203,206 *	Capital Stock Liability for Conversion		_____	_____
207 *	Premium on Capital Stock		_____	_____
209 *	Reduction in Par or Stated Value of Capital Stock		_____	_____
210 *	Gain on Resale or Cancellation of Reacquired Capital Stock		_____	_____
211	Other Paid - In Capital		_____	_____
212	Discount On Capital Stock		_____	_____
213	Capital Stock Expense		_____	_____
214-215	Retained Earnings	F-16	_____	_____
216	Reacquired Capital Stock		_____	_____
218	Proprietary Capital (Proprietorship and Partnership Only)		_____	_____
Total Equity Capital			\$ _____	\$ _____
LONG TERM DEBT				
221	Bonds	F-15	_____	_____
222 *	Reacquired Bonds		_____	_____
223	Advances from Associated Companies	F-17	_____	_____
224	Other Long Term Debt	F-17	_____	_____
Total Long Term Debt			\$ _____	\$ _____
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		_____	_____
232	Notes Payable	F-18	_____	_____
233	Accounts Payable to Associated Companies	F-18	_____	_____
234	Notes Payable to Associated Companies	F-18	_____	_____
235	Customer Deposits		_____	_____
236	Accrued Taxes	W/S-3	_____	_____
237	Accrued Interest	F-19	_____	_____
238	Accrued Dividends		_____	_____
239	Matured Long Term Debt		_____	_____
240	Matured Interest		_____	_____
241	Miscellaneous Current & Accrued Liabilities	F-20	_____	_____
Total Current & Accrued Liabilities			\$ _____	\$ _____

* Not Applicable for Class B Utilities

UTILITY NAME: _____

YEAR OF REPORT December 31,

**COMPARATIVE BALANCE SHEET
 EQUITY CAPITAL AND LIABILITIES**

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium On Debt	F-13	\$ _____	\$ _____
252	Advances For Construction	F-20	\$ _____	\$ _____
253	Other Deferred Credits	F-21	\$ _____	\$ _____
255	Accumulated Deferred Investment Tax Credits		\$ _____	\$ _____
Total Deferred Credits			\$ _____	\$ _____
OPERATING RESERVES				
261	Property Insurance Reserve		\$ _____	\$ _____
262	Injuries & Damages Reserve		\$ _____	\$ _____
263	Pensions and Benefits Reserve		\$ _____	\$ _____
265	Miscellaneous Operating Reserves		\$ _____	\$ _____
Total Operating Reserves			\$ _____	\$ _____
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions in Aid of Construction	F-22	\$ _____	\$ _____
272	Accumulated Amortization of Contributions in Aid of Construction	F-22	\$ _____	\$ _____
Total Net C.I.A.C.			\$ _____	\$ _____
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation		\$ _____	\$ _____
282	Accumulated Deferred Income Taxes - Liberalized Depreciation		\$ _____	\$ _____
283	Accumulated Deferred Income Taxes - Other		\$ _____	\$ _____
Total Accumulated Deferred Income Tax			\$ _____	\$ _____
TOTAL EQUITY CAPITAL AND LIABILITIES			\$ _____	\$ _____

F-2(b)

UTILITY NAME: _____

YEAR OF REPORT December 31,

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR * (e)
UTILITY OPERATING INCOME				
400	Operating Revenues	F-3(b)	\$ _____	\$ _____
469, 530	Less: Guaranteed Revenue and AFPI	F-3(b)		
Net Operating Revenues			\$ _____	\$ _____
401	Operating Expenses	F-3(b)	\$ _____	\$ _____
403	Depreciation Expense:	F-3(b)	\$ _____	\$ _____
	Less: Amortization of CIAC	F-22		
Net Depreciation Expense			\$ _____	\$ _____
406	Amortization of Utility Plant Acquisition Adjustment	F-3(b)		
407	Amortization Expense (Other than CIAC)	F-3(b)		
408	Taxes Other Than Income	W/S-3		
409	Current Income Taxes	W/S-3		
410.10	Deferred Federal Income Taxes	W/S-3		
410.11	Deferred State Income Taxes	W/S-3		
411.10	Provision for Deferred Income Taxes - Credit	W/S-3		
412.10	Investment Tax Credits Deferred to Future Periods	W/S-3		
412.11	Investment Tax Credits Restored to Operating Income	W/S-3		
Utility Operating Expenses			\$ _____	\$ _____
Net Utility Operating Income			\$ _____	\$ _____
469, 530	Add Back: Guaranteed Revenue and AFPI	F-3(b)		
413	Income From Utility Plant Leased to Others			
414	Gains (losses) From Disposition of Utility Property			
420	Allowance for Funds Used During Construction			
Total Utility Operating Income [Enter here and on Page F-3(c)]			\$ _____	\$ _____

* For each account, Column e should agree with Columns f, g and h on F-3(b)

UTILITY NAME: _____

YEAR OF REPORT December 31,

COMPARATIVE OPERATING STATEMENT (Cont'd)

WATER SCHEDULE W-3 * (f)	WASTEWATER SCHEDULE S-3 * (g)	OTHER THAN REPORTING SYSTEMS (h)
\$ _____	\$ _____	\$ _____
\$ _____	\$ _____	\$ _____
\$ _____	\$ _____	\$ _____
_____	_____	_____
\$ _____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
\$ _____	\$ _____	\$ _____
\$ _____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
\$ _____	\$ _____	\$ _____

* Total of Schedules W-3 / S-3 for all rate groups.

UTILITY NAME: _____

YEAR OF REPORT December 31,

COMPARATIVE OPERATING STATEMENT (Cont'd)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
Total Utility Operating Income [from page F-3(a)]			\$ _____	\$ _____
OTHER INCOME AND DEDUCTIONS				
415	Revenues-Merchandising, Jobbing, and Contract Deductions		\$ _____	\$ _____
416	Costs & Expenses of Merchandising Jobbing, and Contract Work		\$ _____	\$ _____
419	Interest and Dividend Income		\$ _____	\$ _____
421	Nonutility Income		\$ _____	\$ _____
426	Miscellaneous Nonutility Expenses		\$ _____	\$ _____
Total Other Income and Deductions			\$ _____	\$ _____
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income		\$ _____	\$ _____
409.20	Income Taxes		\$ _____	\$ _____
410.20	Provision for Deferred Income Taxes		\$ _____	\$ _____
411.20	Provision for Deferred Income Taxes - Credit		\$ _____	\$ _____
412.20	Investment Tax Credits - Net		\$ _____	\$ _____
412.30	Investment Tax Credits Restored to Operating Income		\$ _____	\$ _____
Total Taxes Applicable To Other Income			\$ _____	\$ _____
INTEREST EXPENSE				
427	Interest Expense	F-19	\$ _____	\$ _____
428	Amortization of Debt Discount & Expense	F-13	\$ _____	\$ _____
429	Amortization of Premium on Debt	F-13	\$ _____	\$ _____
Total Interest Expense			\$ _____	\$ _____
EXTRAORDINARY ITEMS				
433	Extraordinary Income		\$ _____	\$ _____
434	Extraordinary Deductions		\$ _____	\$ _____
409.30	Income Taxes, Extraordinary Items		\$ _____	\$ _____
Total Extraordinary Items			\$ _____	\$ _____
NET INCOME			\$ _____	\$ _____

Explain Extraordinary Income:

UTILITY NAME: _____

YEAR OF REPORT December 31,

SCHEDULE OF YEAR END RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	WATER UTILITY (d)	WASTEWATER UTILITY (e)
101	Utility Plant In Service	F-7	\$ _____	\$ _____
	Less:			
	Nonused and Useful Plant (1)			
108	Accumulated Depreciation	F-8		
110	Accumulated Amortization	F-8		
271	Contributions in Aid of Construction	F-22		
252	Advances for Construction	F-20		
Subtotal			\$ _____	\$ _____
	Add:			
272	Accumulated Amortization of Contributions in Aid of Construction	F-22		
Subtotal			\$ _____	\$ _____
	Plus or Minus:			
114	Acquisition Adjustments (2)	F-7		
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7		
	Working Capital Allowance (3)			
	Other (Specify):			

RATE BASE			\$ _____	\$ _____
NET UTILITY OPERATING INCOME			\$ _____	\$ _____
ACHIEVED RATE OF RETURN (Operating Income / Rate Base)			_____	_____

NOTES :

- (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

UTILITY NAME: _____

YEAR OF REPORT December 31,

**SCHEDULE OF CURRENT COST OF CAPITAL
 CONSISTENT WITH THE METHODOLOGY USED IN THE LAST RATE PROCEEDING (1)**

CLASS OF CAPITAL (a)	DOLLAR AMOUNT (2) (b)	PERCENTAGE OF CAPITAL (c)	ACTUAL COST RATES (3) (d)	WEIGHTED COST (e x d) (e)
Common Equity	\$ _____	_____	_____	_____
Preferred Stock	_____	_____	_____	_____
Long Term Debt	_____	_____	_____	_____
Customer Deposits	_____	_____	_____	_____
Tax Credits - Zero Cost	_____	_____	_____	_____
Tax Credits - Weighted Cost	_____	_____	_____	_____
Deferred Income Taxes	_____	_____	_____	_____
Other (Explain)	_____	_____	_____	_____
Total	\$ _____	_____	_____	_____

(1) If the utility's capital structure is not used, explain which capital structure is used.

(2) Should equal amounts on Schedule F-6, Column (g).

(3) Mid-point of the last authorized Return On Equity or current leverage formula if none has been established.

Must be calculated using the same methodology used in the last rate proceeding using current annual report year end amounts and cost rates.

APPROVED RETURN ON EQUITY

Current Commission Return on Equity: _____ %
Commission order approving Return on Equity: _____

APPROVED AFUDC RATE

COMPLETION ONLY REQUIRED IF AFUDC WAS CHARGED DURING YEAR

Current Commission Approved AFUDC rate: _____ %
Commission order approving AFUDC rate: _____

If any utility capitalized any charge in lieu of AFUDC (such as interest only), state the basis of the charge, an explanation as to why AFUDC was not charged and the percentage capitalized.

UTILITY NAME: _____

YEAR OF REPORT December 31,

**UTILITY PLANT
 ACCOUNTS 101 - 106**

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
101	Plant Accounts: Utility Plant In Service	\$ _____	\$ _____	\$ _____	\$ _____
102	Utility Plant Leased to Other	_____	_____	_____	_____
103	Property Held for Future Use	_____	_____	_____	_____
104	Utility Plant Purchased or Sold	_____	_____	_____	_____
105	Construction Work in Progress	_____	_____	_____	_____
106	Completed Construction Not Classified	_____	_____	_____	_____
	Total Utility Plant	\$ _____	\$ _____	\$ _____	\$ _____

**UTILITY PLANT ACQUISITION ADJUSTMENTS
 ACCOUNTS 114 AND 115**

Report each acquisition adjustment and related accumulated amortization separately.
 For any acquisition adjustments approved by the Commission, include the Order Number.

ACCT. NO. (a)	DESCRIPTION (b)	WATER (c)	WASTEWATER (d)	OTHER THAN REPORTING SYSTEMS (e)	TOTAL (f)
114	Acquisition Adjustment	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Plant Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____
115	Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
		_____	_____	_____	_____
		_____	_____	_____	_____
		_____	_____	_____	_____
	Total Accumulated Amortization	\$ _____	\$ _____	\$ _____	\$ _____
	Net Acquisition Adjustments	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

ACCUMULATED DEPRECIATION (ACCT. 108) AND AMORTIZATION (ACCT. 110)

DESCRIPTION (a)	WATER (b)	WASTEWATER (c)	OTHER THAN REPORTING SYSTEMS (d)	TOTAL (e)
ACCUMULATED DEPRECIATION				
Account 108				
Balance first of year	\$ _____	\$ _____	\$ _____	\$ _____
Credit during year:				
Accruals charged to:				
Account 108.1 (1)	\$ _____	\$ _____	\$ _____	\$ _____
Account 108.2 (2)	_____	_____	_____	_____
Account 108.3 (2)	_____	_____	_____	_____
Other Accounts (specify):	_____	_____	_____	_____
Salvage	_____	_____	_____	_____
Other Credits (Specify):	_____	_____	_____	_____
Total Credits	\$ _____	\$ _____	\$ _____	\$ _____
Debits during year:				
Book cost of plant retired	_____	_____	_____	_____
Cost of Removal	_____	_____	_____	_____
Other Debits (specify):	_____	_____	_____	_____
Total Debits	\$ _____	\$ _____	\$ _____	\$ _____
Balance end of year	\$ _____	\$ _____	\$ _____	\$ _____
ACCUMULATED AMORTIZATION				
Account 110				
Balance first of year	\$ _____	\$ _____	\$ _____	\$ _____
Credit during year:				
Accruals charged to:				
Account 110.2 (3)	\$ _____	\$ _____	\$ _____	\$ _____
Other Accounts (specify):	_____	_____	_____	_____
Total credits	\$ _____	\$ _____	\$ _____	\$ _____
Debits during year:				
Book cost of plant retired	_____	_____	_____	_____
Other debits (specify):	_____	_____	_____	_____
Total Debits	\$ _____	\$ _____	\$ _____	\$ _____
Balance end of year	\$ _____	\$ _____	\$ _____	\$ _____

- (1) Account 108 for Class B utilities.
- (2) Not applicable for Class B utilities.
- (3) Account 110 for Class B utilities.

UTILITY NAME: _____

YEAR OF REPORT December 31,

**REGULATORY COMMISSION EXPENSE
 AMORTIZATION OF RATE CASE EXPENSE (ACCOUNTS 666 AND 766)**

DESCRIPTION OF CASE (DOCKET NO.) (a)	EXPENSE INCURRED DURING YEAR (b)	CHARGED OFF DURING YEAR	
		ACCT. (d)	AMOUNT (e)
_____	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ _____	_____	\$ _____

NONUTILITY PROPERTY (ACCOUNT 121)

Report separately each item of property with a book cost of \$25,000 or more included in Account 121.
 Other Items may be grouped by classes of property.

DESCRIPTION (a)	BEGINNING YEAR (b)	ADDITIONS (c)	REDUCTIONS (d)	ENDING YEAR BALANCE (e)
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Nonutility Property	\$ _____	\$ _____	\$ _____	\$ _____

SPECIAL DEPOSITS (ACCOUNTS 132 AND 133)

Report hereunder all special deposits carried in Accounts 132 and 133.

DESCRIPTION OF SPECIAL DEPOSITS (a)	YEAR END BOOK COST (b)
SPECIAL DEPOSITS (Account 132): _____ _____	\$ _____
Total Special Deposits	\$ _____
OTHER SPECIAL DEPOSITS (Account 133): _____ _____	\$ _____
Total Other Special Deposits	\$ _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

**INVESTMENTS AND SPECIAL FUNDS
 ACCOUNTS 123 - 127**

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (Account 123): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Investment in Associated Companies		\$ _____
UTILITY INVESTMENTS (Account 124): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Utility Investment		\$ _____
OTHER INVESTMENTS (Account 125): _____ _____ _____ _____	\$ _____ _____ _____ _____	\$ _____ _____ _____ _____
Total Other Investment		\$ _____
SPECIAL FUNDS (Class A Utilities: Accounts 126 and 127; Class B Utilities: Account 127): _____ _____ _____ _____		\$ _____ _____ _____ _____
Total Special Funds		\$ _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

ACCOUNTS AND NOTES RECEIVABLE - NET
ACCOUNTS 141 - 144

Report hereunder all accounts and notes receivable included in Accounts 141, 142, and 144. Amounts included in
 Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION (a)		TOTAL (b)
CUSTOMER ACCOUNTS RECEIVABLE (Account 141):		
Water	\$ _____	
Wastewater	\$ _____	
Other	\$ _____	
Total Customer Accounts Receivable		\$ _____
OTHER ACCOUNTS RECEIVABLE (Account 142):		
_____	\$ _____	
_____	\$ _____	
_____	\$ _____	
Total Other Accounts Receivable		\$ _____
NOTES RECEIVABLE (Account 144):		
_____	\$ _____	
_____	\$ _____	
_____	\$ _____	
Total Notes Receivable		\$ _____
Total Accounts and Notes Receivable		\$ _____
ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS (Account 143)		
Balance first of year	\$ _____	
Add: Provision for uncollectibles for current year	\$ _____	
Collection of accounts previously written off	\$ _____	
Utility Accounts	\$ _____	
Others	\$ _____	
Total Additions	\$ _____	
Deduct accounts written off during year:		
Utility Accounts	\$ _____	
Others	\$ _____	
Total accounts written off	\$ _____	
Balance end of year		\$ _____
TOTAL ACCOUNTS AND NOTES RECEIVABLE - NET		\$ _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 145

Report each account receivable from associated companies separately.

DESCRIPTION (a)	TOTAL (b)
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
Total	\$ _____

NOTES RECEIVABLE FROM ASSOCIATED COMPANIES
ACCOUNT 146

Report each note receivable from associated companies separately.

DESCRIPTION (a)	INTEREST RATE (b)	TOTAL (c)
	% _____	\$ _____
	% _____	\$ _____
	% _____	\$ _____
	% _____	\$ _____
	% _____	\$ _____
	% _____	\$ _____
	% _____	\$ _____
	% _____	\$ _____
	% _____	\$ _____
Total		\$ _____

MISCELLANEOUS CURRENT AND ACCRUED ASSETS
ACCOUNT 174

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT
ACCOUNTS 181 AND 251

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
UNAMORTIZED DEBT DISCOUNT AND EXPENSE (Account 181):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Unamortized Debt Discount and Expense	\$ _____	\$ _____
UNAMORTIZED PREMIUM ON DEBT (Account 251):	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Unamortized Premium on Debt	\$ _____	\$ _____

EXTRAORDINARY PROPERTY LOSSES
ACCOUNT 182

Report each item separately.

DESCRIPTION (a)	TOTAL (b)
_____	\$ _____
_____	_____
_____	_____
Total Extraordinary Property Losses	\$ _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

**MISCELLANEOUS DEFERRED DEBITS
 ACCOUNT 186**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
DEFERRED RATE CASE EXPENSE (Class A Utilities: Account 186.1)		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Deferred Rate Case Expense	\$ _____	\$ _____
OTHER DEFERRED DEBITS (Class A Utilities: Account 186.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Debits	\$ _____	\$ _____
REGULATORY ASSETS (Class A Utilities: Account. 186.3):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Regulatory Assets	\$ _____	\$ _____
TOTAL MISCELLANEOUS DEFERRED DEBITS	\$ _____	\$ _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

**CAPITAL STOCK
 ACCOUNTS 201 AND 204***

DESCRIPTION (a)	RATE (b)	TOTAL (c)
COMMON STOCK		
Par or stated value per share	%\$	_____
Shares authorized		_____
Shares issued and outstanding		_____
Total par value of stock issued	%\$	_____
Dividends declared per share for year	%\$	_____
PREFERRED STOCK		
Par or stated value per share	%\$	_____
Shares authorized		_____
Shares issued and outstanding		_____
Total par value of stock issued	%\$	_____
Dividends declared per share for year	%\$	_____

* Account 204 not applicable for Class B utilities.

**BONDS
 ACCOUNT 221**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
	%		\$ _____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
Total			\$ _____

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

UTILITY NAME: _____

YEAR OF REPORT
December 31,

STATEMENT OF RETAINED EARNINGS

1. Dividends should be shown for each class and series of capital stock. Show amounts as dividends per share.
2. Show separately the state and federal income tax effect of items shown in Account No. 439.

ACCT. NO. (a)	DESCRIPTION (b)	AMOUNTS (c)
215	Unappropriated Retained Earnings: Balance Beginning of Year	\$ _____
439	Changes to Account: Adjustments to Retained Earnings (requires Commission approval prior to use): Credits: _____	\$ _____ _____
	Total Credits:	\$ _____
	Debits: _____	\$ _____ _____
	Total Debits:	\$ _____
435	Balance Transferred from Income	\$ _____
436	Appropriations of Retained Earnings: _____	_____
	Total Appropriations of Retained Earnings	\$ _____
	Dividends Declared:	
437	Preferred Stock Dividends Declared _____	_____
438	Common Stock Dividends Declared _____	_____
	Total Dividends Declared	\$ _____
215	Year end Balance	\$ _____
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end): _____	_____
214	Total Appropriated Retained Earnings	\$ _____
	Total Retained Earnings	\$ _____
Notes to Statement of Retained Earnings:		

UTILITY NAME: _____

YEAR OF REPORT December 31,

**NOTES PAYABLE
 ACCOUNTS 232 AND 234**

DESCRIPTION OF OBLIGATION (INCLUDING DATE OF ISSUE AND DATE OF MATURITY) (a)	INTEREST		PRINCIPAL AMOUNT PER BALANCE SHEET (d)
	ANNUAL RATE (b)	FIXED OR VARIABLE * (c)	
NOTES PAYABLE (Account 232):			\$ _____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
Total Account 232			\$ _____
NOTES PAYABLE TO ASSOC. COMPANIES (Account 234):			\$ _____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
	%		_____
Total Account 234			\$ _____

* For variable rate obligations, provide the basis for the rate. (i.e.. prime + 2%, etc.)

**ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES
 ACCOUNT 233**

Report each account payable separately.

DESCRIPTION (a)	TOTAL (b)
	\$ _____

Total	\$ _____

YEAR OF REPORT
 December 31,

UTILITY NAME: _____

ACCRUED INTEREST AND EXPENSE
 ACCOUNTS 237 AND 427

DESCRIPTION OF DEBIT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR		INTEREST PAID DURING YEAR (e)	BALANCE END OF YEAR (f)
		ACCT: DEBIT (c)	AMOUNT (d)		
ACCOUNT NO. 237.1 - Accrued Interest on Long Term Debt	\$ _____			\$ _____	
Total Account 237.1	\$ _____			\$ _____	
ACCOUNT NO. 237.2 - Accrued Interest on Other Liabilities Customer Deposits	\$ _____	427		\$ _____	
Total Account 237.2	\$ _____			\$ _____	
Total Account 237 (1)	\$ _____			\$ _____	
INTEREST EXPENSED:					
Total accrual Account 237		237			
Less Capitalized Interest Portion of AFUDC:					
Net Interest Expensed to Account No. 427 (2)					\$ _____

(1) Must agree to F-2 (a), Beginning and Ending Balance of Accrued Interest.
 (2) Must agree to F-3 (c), Current Year Interest Expense

UTILITY NAME: _____

MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES
 ACCOUNT 241

DESCRIPTION - Provide itemized listing (a)	BALANCE END OF YEAR (b)
	\$ _____
	\$ _____
	\$ _____
	\$ _____
Total Miscellaneous Current and Accrued Liabilities	\$ _____

ADVANCES FOR CONSTRUCTION
 ACCOUNT 252

NAME OF PAYOR * (a)	BALANCE BEGINNING OF YEAR (b)	ACCT. DEBIT (c)	DEBITS		CREDITS (e)	BALANCE END OF YEAR (f)
			AMOUNT (d)			
	\$ _____	\$ _____			\$ _____	\$ _____
	\$ _____					\$ _____
	\$ _____					\$ _____
	\$ _____					\$ _____
	\$ _____					\$ _____
	\$ _____					\$ _____
	\$ _____					\$ _____
Total	\$ _____	\$ _____			\$ _____	\$ _____

* Report advances separately by reporting group, designating water or wastewater in column (a).

UTILITY NAME: _____

YEAR OF REPORT December 31,

**OTHER DEFERRED CREDITS
 ACCOUNT 253**

DESCRIPTION - Provide itemized listing (a)	AMOUNT WRITTEN OFF DURING YEAR (b)	YEAR END BALANCE (c)
REGULATORY LIABILITIES (Class A Utilities: Account 253.1):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total Regulatory Liabilities	\$ _____	\$ _____
OTHER DEFERRED LIABILITIES (Class A Utilities: Account 253.2):		
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Other Deferred Liabilities	\$ _____	\$ _____
TOTAL OTHER DEFERRED CREDITS	\$ _____	\$ _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

**CONTRIBUTIONS IN AID OF CONSTRUCTION
 ACCOUNT 271**

DESCRIPTION (a)	WATER (W-7) (b)	WASTEWATER (S-7) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ _____	\$ _____	\$ _____	\$ _____
Add credits during year:	\$ _____	\$ _____	\$ _____	\$ _____
Less debit charged during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Contribution In Aid of Construction	\$ _____	\$ _____	\$ _____	\$ _____

**ACCUMULATED AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION
 ACCOUNT 272**

DESCRIPTION (a)	WATER (W-8(a)) (b)	WASTEWATER (S-8(a)) (c)	W & WW OTHER THAN SYSTEM REPORTING (d)	TOTAL (e)
Balance first of year	\$ _____	\$ _____	\$ _____	\$ _____
Debits during the year:	\$ _____	\$ _____	\$ _____	\$ _____
Credits during the year	\$ _____	\$ _____	\$ _____	\$ _____
Total Accumulated Amortization of Contributions In Aid of Construction	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE
 INCOME FOR FEDERAL INCOME TAXES (UTILITY OPERATIONS)**

1 The reconciliation should include the same detail as furnished on Schedule M-1 of the federal tax return for the year. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount and show the computations of all tax accruals.		
2 If the utility is a member of a group which files a consolidated federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating intercompany amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments or sharing of the consolidated tax among the group members.		
DESCRIPTION (a)	REF. NO. (b)	AMOUNT (c)
Net income for the year	F-3(c)	\$ _____
Reconciling items for the year:		
Taxable income not reported on books:		_____
_____		_____
_____		_____
Deductions recorded on books not deducted for return:		_____
_____		_____
_____		_____
Income recorded on books not included in return:		_____
_____		_____
_____		_____
Deduction on return not charged against book income:		_____
_____		_____
_____		_____
Federal tax net income		\$ _____
Computation of tax :		

**WATER
OPERATION
SECTION**

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

SCHEDULE OF YEAR END WATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WATER UTILITY (d)
101	Utility Plant In Service	W-4(b)	\$ _____
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	W-6(b)	
110	Accumulated Amortization		
271	Contributions in Aid of Construction	W-7	
252	Advances for Construction	F-20	
Subtotal			\$ _____
272	Add: Accumulated Amortization of Contributions in Aid of Construction	W-8(a)	\$ _____
Subtotal			\$ _____
114	Plus or Minus: Acquisition Adjustments (2)	F-7	
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	
	Working Capital Allowance (3)		
	Other (Specify):		
WATER RATE BASE			\$ _____
WATER OPERATING INCOME		W-3	\$ _____
ACHIEVED RATE OF RETURN (Water Operating Income / Water Rate Base)			_____

- NOTES : (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

W-2
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT
December 31,

SYSTEM NAME / COUNTY : _____

WATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	CURRENT YEAR (d)
	UTILITY OPERATING INCOME		
400	Operating Revenues	W-9	\$ _____
469	Less: Guaranteed Revenue and AFPI	W-9	\$ _____
	Net Operating Revenues		\$ _____
401	Operating Expenses	W-10(a)	\$ _____
403	Depreciation Expense	W-6(a)	\$ _____
	Less: Amortization of CIAC	W-8(a)	\$ _____
	Net Depreciation Expense		\$ _____
406	Amortization of Utility Plant Acquisition Adjustment	F-7	\$ _____
407	Amortization Expense (Other than CIAC)	F-8	\$ _____
408.10	Taxes Other Than Income		\$ _____
	Utility Regulatory Assessment Fee		\$ _____
408.11	Property Taxes		\$ _____
408.12	Payroll Taxes		\$ _____
408.13	Other Taxes and Licenses		\$ _____
408	Total Taxes Other Than Income		\$ _____
409.1	Income Taxes		\$ _____
410.10	Deferred Federal Income Taxes		\$ _____
410.11	Deferred State Income Taxes		\$ _____
411.10	Provision for Deferred Income Taxes - Credit		\$ _____
412.10	Investment Tax Credits Deferred to Future Periods		\$ _____
412.11	Investment Tax Credits Restored to Operating Income		\$ _____
	Utility Operating Expenses		\$ _____
	Utility Operating Income		\$ _____
469	Add Back: Guaranteed Revenue (and AFPI)	W-9	\$ _____
413	Income From Utility Plant Leased to Others		\$ _____
414	Gains (losses) From Disposition of Utility Property		\$ _____
420	Allowance for Funds Used During Construction		\$ _____
	Total Utility Operating Income		\$ _____

W-3
 GROUP _____

YEAR OF REPORT
 December 31,

UTILITY NAME: _____

SYSTEM NAME / COUNTY: _____

WATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
301	Organization	\$	\$	\$	\$
302	Franchises				
303	Land and Land Rights				
304	Structures and Improvements				
305	Collecting and Impounding Reservoirs				
306	Lake, River and Other Intakes				
307	Wells and Springs				
308	Infiltration Galleries and Tunnels				
309	Supply Mains				
310	Power Generation Equipment				
311	Pumping Equipment				
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains				
333	Services				
334	Meters and Meter Installations				
335	Hydrants				
336	Backflow Prevention Devices				
339	Other Plant Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop and Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	TOTAL WATER PLANT	\$	\$	\$	\$

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

W-4(b)
 GROUP _____

YEAR OF REPORT
 December 31,

UTILITY NAME: _____
 SYSTEM NAME / COUNTY: _____

WATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 INTANGIBLE PLANT (d)	.2 SOURCE OF SUPPLY AND PUMPING PLANT (e)	.3 WATER TREATMENT PLANT (f)	.4 TRANSMISSION AND DISTRIBUTION PLANT (g)	.5 GENERAL PLANT (h)
301	Organization	\$					
302	Franchises						
303	Land and Land Rights						
304	Structures and Improvements						
305	Collecting and Impounding Reservoirs						
306	Lake, River and Other Intakes						
307	Wells and Springs						
308	Infiltration Galleries and Tunnels						
309	Supply Mains						
310	Power Generation Equipment						
311	Pumping Equipment						
320	Water Treatment Equipment						
330	Distribution Reservoirs and Standpipes						
331	Transmission and Distribution Mains						
333	Services						
334	Meters and Meter Installations						
335	Hydrants						
336	Backflow Prevention Devices						
339	Other Plant Miscellaneous Equipment						
340	Office Furniture and Equipment						
341	Transportation Equipment						
342	Stores Equipment						
343	Tools, Shop and Garage Equipment						
344	Laboratory Equipment						
345	Power Operated Equipment						
346	Communication Equipment						
347	Miscellaneous Equipment						
348	Other Tangible Plant						
	TOTAL WATER PLANT	\$	\$	\$	\$	\$	\$

W-4(b)
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

BASIS FOR WATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - d) / c (e)
304	Structures and Improvements			
305	Collecting and Impounding Reservoirs			
306	Lake, River and Other Intakes			
307	Wells and Springs			
308	Infiltration Galleries and Tunnels			
309	Supply Mains			
310	Power Generation Equipment			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant Miscellaneous Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
342	Stores Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
Water Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

YEAR OF REPORT
 December 31,

UTILITY NAME: _____
 SYSTEM NAME / COUNTY: _____

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
304	Structures and Improvements	\$			0
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs				0
308	Infiltration Galleries and Tunnels				0
309	Supply Mains				0
310	Power Generation Equipment				0
311	Pumping Equipment				0
320	Water Treatment Equipment				0
330	Distribution Reservoirs and Standpipes				0
331	Transmission and Distribution Mains				0
333	Services				0
334	Meters and Meter Installations				0
335	Hydrants				0
336	Backflow Prevention Devices				0
339	Other Plant Miscellaneous Equipment				0
340	Office Furniture and Equipment				0
341	Transportation Equipment				0
342	Stores Equipment				0
343	Tools, Shop and Garage Equipment				0
344	Laboratory Equipment				0
345	Power Operated Equipment				0
346	Communication Equipment				0
347	Miscellaneous Equipment				0
348	Other Tangible Plant				0
TOTAL WATER ACCUMULATED DEPRECIATION		\$			0

* Specify nature of transaction
 Use () to denote reversal entries.

W-6(e)
 GROUP _____

YEAR OF REPORT
 December 31,

UTILITY NAME: _____

SYSTEM NAME / COUNTY : _____

ANALYSIS OF ENTRIES IN WATER ACCUMULATED DEPRECIATION (CONT'D)

ACCT. NO.	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i)	BALANCE AT END OF YEAR (c+f-i)
304	Structures and Improvements	\$	\$	\$	\$	\$
305	Collecting and Impounding Reservoirs					
306	Lake, River and Other Intakes					
307	Wells and Springs					
308	Infiltration Galleries and Tunnels					
309	Supply Mains					
310	Power Generation Equipment					
311	Pumping Equipment					
320	Water Treatment Equipment					
330	Distribution Reservoirs and Standpipes					
331	Transmission and Distribution Mains					
333	Services					
334	Meters and Meter Installations					
335	Hydrants					
336	Backflow Prevention Devices					
339	Other Plant Miscellaneous Equipment					
340	Office Furniture and Equipment					
341	Transportation Equipment					
342	Stores Equipment					
343	Tools, Shop and Garage Equipment					
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					
347	Miscellaneous Equipment					
348	Other Tangible Plant					
TOTAL WATER ACCUMULATED DEPRECIATION		\$	\$	\$	\$	\$

W-6(b)
 GROUP _____

UTILITY NAME: _____
 SYSTEM NAME / COUNTY : _____

YEAR OF REPORT December 31,

**CONTRIBUTIONS IN AID OF CONSTRUCTION
 ACCOUNT 271**

DESCRIPTION (a)	REFERENCE (b)	WATER (c)
Balance first of year		\$ _____
Add credits during year:		
Contributions received from Capacity, Main Extension and Customer Connection Charges	W-8(a)	\$ _____
Contributions received from Developer or Contractor Agreements in cash or property	W-8(b)	_____
Total Credits		\$ _____
Less debits charged during the year (All debits charged during the year must be explained below)		\$ _____
Total Contributions In Aid of Construction		\$ _____

If any prepaid CIAC has been collected, provide a supporting schedule showing how the amount is determined.

Explain all debits charged to Account 271 during the year below:

W-7
 GROUP _____

UTILITY NAME: _____
 SYSTEM NAME / COUNTY : _____

YEAR OF REPORT December 31,

WATER CIAC SCHEDULE "A"
 ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
_____	_____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ _____

**ACCUMULATED AMORTIZATION OF WATER
 CONTRIBUTIONS IN AID OF CONSTRUCTION**

DESCRIPTION (a)	WATER (b)
Balance first of year	\$ _____
Debits during the year: Accruals charged to Account 272	\$ _____
Other debits (specify) : _____	_____
Total debits	\$ _____
Credits during the year (specify) : _____	\$ _____
Total credits	\$ _____
Balance end of year	\$ _____

W-§(a)
 GROUP _____

UTILITY NAME: _____
 SYSTEM NAME / COUNTY : _____

YEAR OF REPORT December 31,

WATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS (d)	AMOUNT (e)
460	Water Sales: Unmetered Water Revenue			\$ _____
461.1	Metered Water Revenue: Sales to Residential Customers			_____
461.2	Sales to Commercial Customers			_____
461.3	Sales to Industrial Customers			_____
461.4	Sales to Public Authorities			_____
461.5	Sales Multiple Family Dwellings			_____
Total Metered Sales				\$ _____
462.1	Fire Protection Revenue: Public Fire Protection			_____
462.2	Private Fire Protection			_____
Total Fire Protection Revenue				\$ _____
464	Other Sales To Public Authorities			_____
465	Sales To Irrigation Customers			_____
466	Sales For Resale			_____
467	Interdepartmental Sales			_____
Total Water Sales				\$ _____
469	Other Water Revenues: Guaranteed Revenues (Including Allowance for Funds Prudently Invested or AFPI)			\$ _____
470	Forfeited Discounts			_____
471	Miscellaneous Service Revenues			_____
472	Rents From Water Property			_____
473	Interdepartmental Rents			_____
474	Other Water Revenues			_____
Total Other Water Revenues				\$ _____
Total Water Operating Revenues				\$ _____

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

W-9
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

WATER UTILITY EXPENSE ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	.1 SOURCE OF SUPPLY AND EXPENSES - OPERATIONS (d)	.2 SOURCE OF SUPPLY AND EXPENSES - MAINTENANCE (e)
601	Salaries and Wages - Employees	\$ _____	\$ _____	\$ _____
603	Salaries and Wages - Officers, Directors and Majority Stockholders	_____	_____	_____
604	Employee Pensions and Benefits	_____	_____	_____
610	Purchased Water	_____	_____	_____
615	Purchased Power	_____	_____	_____
616	Fuel for Power Production	_____	_____	_____
618	Chemicals	_____	_____	_____
620	Materials and Supplies	_____	_____	_____
631	Contractual Services-Engineering	_____	_____	_____
632	Contractual Services - Accounting	_____	_____	_____
633	Contractual Services - Legal	_____	_____	_____
634	Contractual Services - Mgt. Fees	_____	_____	_____
635	Contractual Services - Testing	_____	_____	_____
636	Contractual Services - Other	_____	_____	_____
641	Rental of Building/Real Property	_____	_____	_____
642	Rental of Equipment	_____	_____	_____
650	Transportation Expenses	_____	_____	_____
656	Insurance - Vehicle	_____	_____	_____
657	Insurance - General Liability	_____	_____	_____
658	Insurance - Workman's Comp.	_____	_____	_____
659	Insurance - Other	_____	_____	_____
660	Advertising Expense	_____	_____	_____
666	Regulatory Commission Expenses - Amortization of Rate Case Expense	_____	_____	_____
667	Regulatory Commission Exp.-Other	_____	_____	_____
668	Water Resource Conservation Exp.	_____	_____	_____
670	Bad Debt Expense	_____	_____	_____
675	Miscellaneous Expenses	_____	_____	_____
Total Water Utility Expenses		\$ _____	\$ _____	\$ _____

W-10(a)
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

PUMPING AND PURCHASED WATER STATISTICS

MONTH (a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	FINISHED WATER PUMPED FROM WELLS (Omit 000's) (c)	WATER USED FOR LINE FLUSHING, FIGHTING FIRES, ETC. (d)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) [(b)+(c)-(d)] (e)	WATER SOLD TO CUSTOMERS (Omit 000's) (f)
January					
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					
Total for Year					

If water is purchased for resale, indicate the following:
 Vendor _____
 Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

SOURCE OF SUPPLY

List for each source of supply:	CAPACITY OF WELL	GALLONS PER DAY FROM SOURCE	TYPE OF SOURCE

W-11
 GROUP _____
 SYSTEM _____

UTILITY NAME: _____

YEAR OF REPORT
December 31,

SYSTEM NAME / COUNTY : _____

WATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each water treatment facility

Permitted Capacity of Plant (GPD):	_____
Location of measurement of capacity (i.e. Wellhead, Storage Tank):	_____
Type of treatment (reverse osmosis, sedimentation, chemical, aerated, etc.):	_____
LIME TREATMENT	
Unit rating (i.e., GPM, pounds per gallon): _____	Manufacturer: _____
FILTRATION	
Type and size of area:	
Pressure (in square feet): _____	Manufacturer: _____
Gravity (in GPM/square feet): _____	Manufacturer: _____

W-12
GROUP _____
SYSTEM _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

CALCULATION OF THE WATER SYSTEM METER EQUIVALENTS

METER SIZE (a)	TYPE OF METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0		
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Water System Meter Equivalents				

CALCULATION OF THE WATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one water equivalent residential connection (ERC).

Use one of the following methods:

- (a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
- (b) If no historical flow data are available, use:
 $ERC = (\text{Total SFR gallons sold (Omit 000)} / 365 \text{ days} / 350 \text{ gallons per day})$

ERC Calculation:

W-13
 GROUP _____
 SYSTEM _____

UTILITY NAME: _____

YEAR OF REPORT
December 31, _____

SYSTEM NAME / COUNTY : _____

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present ERCs * the system can efficiently serve. _____
2. Maximum number of ERCs * which can be served. _____
3. Present system connection capacity (in ERCs *) using existing lines. _____
4. Future connection capacity (in ERCs *) upon service area buildout. _____
5. Estimated annual increase in ERCs *. _____
6. Is the utility required to have fire flow capacity? _____
If so, how much capacity is required? _____
7. Attach a description of the fire fighting facilities. _____
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. _____

9. When did the company last file a capacity analysis report with the DEP? _____
10. If the present system does not meet the requirements of DEP rules:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules. _____
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading. _____
 - e. Is this system under any Consent Order with DEP? _____
11. Department of Environmental Protection ID # _____
12. Water Management District Consumptive Use Permit # _____
 - a. Is the system in compliance with the requirements of the CUP? _____
 - b. If not, what are the utility's plans to gain compliance? _____

* An ERC is determined based on the calculation on the bottom of Page W-13.

W-14
GROUP _____
SYSTEM _____

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**WASTEWATER
OPERATION
SECTION**

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

SCHEDULE OF YEAR END WASTEWATER RATE BASE

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
101	Utility Plant In Service	S-4(a)	\$ _____
	Less:		
	Nonused and Useful Plant (1)		
108	Accumulated Depreciation	S-6(b)	_____
110	Accumulated Amortization		_____
271	Contributions in Aid of Construction	S-7	_____
252	Advances for Construction	F-20	_____
Subtotal			\$ _____
272	Add: Accumulated Amortization of Contributions in Aid of Construction	S-8(a)	\$ _____
Subtotal			\$ _____
114	Plus or Minus: Acquisition Adjustments (2)	F-7	_____
115	Accumulated Amortization of Acquisition Adjustments (2)	F-7	_____
	Working Capital Allowance (3)		_____
	Other (Specify):		_____

WASTEWATER RATE BASE			\$ _____
WASTEWATER OPERATING INCOME		S-3	\$ _____
ACHIEVED RATE OF RETURN (Wastewater Operating Income / Wastewater Rate Base)			_____

- NOTES : (1) Estimate based on the methodology used in the last rate proceeding.
- (2) Include only those Acquisition Adjustments that have been approved by the Commission.
- (3) Calculation consistent with last rate proceeding.
 In absence of a rate proceeding, Class A utilities will use the Balance Sheet Method and Class B Utilities will use the One-eighth Operating and Maintenance Expense Method.

S-2
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

WASTEWATER OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REFERENCE PAGE (c)	WASTEWATER UTILITY (d)
UTILITY OPERATING INCOME			
400	Operating Revenues	S-9(a)	\$ _____
530	Less: Guaranteed Revenue (and AFPI)	S-9(a)	\$ _____
Net Operating Revenues			\$ _____
401	Operating Expenses	S-10(a)	\$ _____
403	Depreciation Expense	S-6(a)	_____
	Less: Amortization of CIAC	S-8(a)	_____
Net Depreciation Expense			\$ _____
406	Amortization of Utility Plant Acquisition Adjustment	F-7	_____
407	Amortization Expense (Other than CIAC)	F-8	_____
Taxes Other Than Income			
408.10	Utility Regulatory Assessment Fee		_____
408.11	Property Taxes		_____
408.12	Payroll Taxes		_____
408.13	Other Taxes and Licenses		_____
408	Total Taxes Other Than Income		\$ _____
409.1	Income Taxes		_____
410.10	Deferred Federal Income Taxes		_____
410.11	Deferred State Income Taxes		_____
411.10	Provision for Deferred Income Taxes - Credit		_____
412.10	Investment Tax Credits Deferred to Future Periods		_____
412.11	Investment Tax Credits Restored to Operating Income		_____
Utility Operating Expenses			\$ _____
Utility Operating Income			\$ _____
530	Add Back: Guaranteed Revenue (and AFPI)	S-9(a)	\$ _____
413	Income From Utility Plant Leased to Others		_____
414	Gains (losses) From Disposition of Utility Property		_____
420	Allowance for Funds Used During Construction		_____
Total Utility Operating Income			\$ _____

S-3
 GROUP _____

YEAR OF REPORT
 December 31,

UTILITY NAME: _____

SYSTEM NAME / COUNTY : _____

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	ADDITIONS (d)	RETIREMENTS (e)	CURRENT YEAR (f)
351	Organization	\$	\$	\$	\$
352	Franchises				
353	Land and Land Rights				
354	Structures and Improvements				
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity				
362	Special Collecting Structures				
363	Services to Customers				
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment				
374	Reuse Distribution Reservoirs				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment				
390	Office Furniture and Equipment				
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
	Total Wastewater Plant	\$	\$	\$	\$

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

S-4(a)
 GROUP _____

YEAR OF REPORT
 December 31,

UTILITY NAME: _____
 SYSTEM NAME / COUNTY: _____

WASTEWATER UTILITY PLANT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.1 INTANGIBLE PLANT (g)	.2 COLLECTION PLANT (h)	.3 SYSTEM PUMPING PLANT (i)	.4 TREATMENT AND DISPOSAL (j)	.5 RECLAIMED WASTEWATER TREATMENT PLANT (k)	.6 RECLAIMED WASTEWATER DISTRIBUTION PLANT (l)	.7 GENERAL PLANT (m)
351	Organization							
352	Franchises							
353	Land and Land Rights							
354	Structures and Improvements							
355	Power Generation Equipment							
360	Collection Sewers - Force							
361	Collection Sewers - Gravity							
362	Special Collecting Structures							
363	Services to Customers							
364	Flow Measuring Devices							
365	Flow Measuring Installations							
366	Reuse Services							
367	Reuse Meters and Meter Installations							
370	Receiving Wells							
371	Pumping Equipment							
374	Reuse Distribution Reservoirs							
375	Reuse Transmission and Distribution System							
380	Treatment and Disposal Equipment							
381	Plant Sewers							
382	Outfall Sewer Lines							
389	Other Plant Miscellaneous Equipment							
390	Office Furniture and Equipment							
391	Transportation Equipment							
392	Stores Equipment							
393	Tools, Shop and Garage Equipment							
394	Laboratory Equipment							
395	Power Operated Equipment							
396	Communication Equipment							
397	Miscellaneous Equipment							
398	Other Tangible Plant							
	Total Wastewater Plant							

NOTE: Any adjustments made to reclassify property from one account to another must be footnoted.

S-4(b)
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

BASIS FOR WASTEWATER DEPRECIATION CHARGES

ACCT. NO. (a)	ACCOUNT NAME (b)	AVERAGE SERVICE LIFE IN YEARS (c)	AVERAGE NET SALVAGE IN PERCENT (d)	DEPRECIATION RATE APPLIED IN PERCENT (100% - D) / C (e)
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers - Force			
361	Collection Sewers - Gravity			
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
366	Reuse Services			
367	Reuse Meters and Meter Installations			
370	Receiving Wells			
371	Pumping Equipment			
375	Reuse Transmission and Distribution System			
380	Treatment and Disposal Equipment			
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant Miscellaneous Equipment			
390	Office Furniture and Equipment			
391	Transportation Equipment			
392	Stores Equipment			
393	Tools, Shop and Garage Equipment			
394	Laboratory Equipment			
395	Power Operated Equipment			
396	Communication Equipment			
397	Miscellaneous Equipment			
398	Other Tangible Plant			
Wastewater Plant Composite Depreciation Rate *				

* If depreciation rates prescribed by this Commission are on a total composite basis, entries should be made on this line only.

S-5
 GROUP _____

YEAR OF REPORT
 December 31,

UTILITY NAME: _____
 SYSTEM NAME / COUNTY: _____

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	BALANCE AT BEGINNING OF YEAR (c)	ACCRUALS (d)	OTHER CREDITS * (e)	TOTAL CREDITS (d + e) (f)
354	Structures and Improvements	\$			
355	Power Generation Equipment				
360	Collection Sewers - Force				
361	Collection Sewers - Gravity				
362	Special Collecting Structures				
363	Services to Customers				
364	Flow Measuring Devices				
365	Flow Measuring Installations				
366	Reuse Services				
367	Reuse Meters and Meter Installations				
370	Receiving Wells				
371	Pumping Equipment				
375	Reuse Transmission and Distribution System				
380	Treatment and Disposal Equipment				
381	Plant Sewers				
382	Outfall Sewer Lines				
389	Other Plant Miscellaneous Equipment				
390	Office Furniture and Equipment				
391	Transportation Equipment				
392	Stores Equipment				
393	Tools, Shop and Garage Equipment				
394	Laboratory Equipment				
395	Power Operated Equipment				
396	Communication Equipment				
397	Miscellaneous Equipment				
398	Other Tangible Plant				
Total Depreciable Wastewater Plant in Service		\$	\$	\$	\$

* Specify nature of transaction.
 Use () to denote reversal entries.

S-6(a)
 GROUP _____

UTILITY NAME: _____
 SYSTEM NAME / COUNTY: _____

YEAR OF REPORT
 December 31, _____

ANALYSIS OF ENTRIES IN WASTEWATER ACCUMULATED DEPRECIATION

ACCT. NO. (a)	ACCOUNT NAME (b)	PLANT RETIRED (g)	SALVAGE AND INSURANCE (h)	COST OF REMOVAL AND OTHER CHARGES (i)	TOTAL CHARGES (g-h+i) (j)	BALANCE AT END OF YEAR (c+F-j) (k)
354	Structures and Improvements					
355	Power Generation Equipment					
360	Collection Sewers - Force					
361	Collection Sewers - Gravity					
362	Special Collecting Structures					
363	Services to Customers					
364	Flow Measuring Devices					
365	Flow Measuring Installations					
366	Reuse Services					
367	Reuse Meters and Meter Installations					
370	Receiving Wells					
371	Pumping Equipment					
375	Reuse Transmission and Distribution System					
380	Treatment and Disposal Equipment					
381	Plant Sewers					
382	Outfall Sewer Lines					
389	Other Plant Miscellaneous Equipment					
390	Office Furniture and Equipment					
391	Transportation Equipment					
392	Stores Equipment					
393	Tools, Shop and Garage Equipment					
394	Laboratory Equipment					
395	Power Operated Equipment					
396	Communication Equipment					
397	Miscellaneous Equipment					
398	Other Tangible Plant					
Total Depreciable Wastewater Plant in Service						

* Specify nature of transaction.
 Use () to denote reversal entries.

S-c(b)
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

WASTEWATER CIAC SCHEDULE "A"

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION RECEIVED FROM CAPACITY,
 MAIN EXTENSION AND CUSTOMER CONNECTION CHARGES RECEIVED DURING THE YEAR

DESCRIPTION OF CHARGE (a)	NUMBER OF CONNECTIONS (b)	CHARGE PER CONNECTION (c)	AMOUNT (d)
_____	_____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits			\$ _____

ACCUMULATED AMORTIZATION OF WASTEWATER CONTRIBUTIONS IN AID OF CONSTRUCTION

DESCRIPTION (a)	WASTEWATER (b)
Balance first of year	\$ _____
Debits during the year: Accruals charged to Account 272 Other debits (specify) : _____ _____	\$ _____
Total debits	\$ _____
Credits during the year (specify) : _____ _____	\$ _____
Total credits	\$ _____
Balance end of year	\$ _____

S-8(a)
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
WASTEWATER SALES				
521.1	Flat Rate Revenues: Residential Revenues			\$ _____
521.2	Commercial Revenues			_____
521.3	Industrial Revenues			_____
521.4	Revenues From Public Authorities			_____
521.5	Multiple Family Dwelling Revenues			_____
521.6	Other Revenues			_____
521	Total Flat Rate Revenues			\$ _____
522.1	Measured Revenues: Residential Revenues			_____
522.2	Commercial Revenues			_____
522.3	Industrial Revenues			_____
522.4	Revenues From Public Authorities			_____
522.5	Multiple Family Dwelling Revenues			_____
522	Total Measured Revenues			\$ _____
523	Revenues From Public Authorities			_____
524	Revenues From Other Systems			_____
525	Interdepartmental Revenues			_____
	Total Wastewater Sales			\$ _____
OTHER WASTEWATER REVENUES				
530	Guaranteed Revenues			\$ _____
531	Sale of Sludge			_____
532	Forfeited Discounts			_____
534	Rents From Wastewater Property			_____
535	Interdepartmental Rents			_____
536	Other Wastewater Revenues (Including Allowance for Funds Prudently Invested or AFPI)			_____
	Total Other Wastewater Revenues			\$ _____

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

S-9(a)
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

WASTEWATER OPERATING REVENUE

ACCT. NO. (a)	DESCRIPTION (b)	BEGINNING YEAR NO. CUSTOMERS * (c)	YEAR END NUMBER OF CUSTOMERS * (d)	AMOUNTS (e)
RECLAIMED WATER SALES				
540.1	Flat Rate Reuse Revenues: Residential Reuse Revenues			\$ _____
540.2	Commercial Reuse Revenues			_____
540.3	Industrial Reuse Revenues			_____
540.4	Reuse Revenues From Public Authorities			_____
540.5	Other Revenues			_____
540	Total Flat Rate Reuse Revenues			\$ _____
541.1	Measured Reuse Revenues: Residential Reuse Revenues			
541.2	Commercial Reuse Revenues			
541.3	Industrial Reuse Revenues			
541.4	Reuse Revenues From Public Authorities			
541	Total Measured Reuse Revenues			\$ _____
544	Reuse Revenues From Other Systems			
Total Reclaimed Water Sales				\$ _____
Total Wastewater Operating Revenues				\$ _____

* Customer is defined by Rule 25-30.210(1), Florida Administrative Code.

S-9(b)
 GROUP _____

YEAR OF REPORT
 December 31,

UTILITY NAME: _____

SYSTEM NAME / COUNTY: _____

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO.	ACCOUNT NAME (b)	1	2	3	4	5	6
(a)	(b)	COLLECTION EXPENSES- OPERATIONS (d)	COLLECTION EXPENSES- MAINTENANCE (e)	PUMPING EXPENSES- OPERATIONS (f)	PUMPING EXPENSES- MAINTENANCE (g)	TREATMENT & DISPOSAL EXPENSES- OPERATIONS (h)	TREATMENT & DISPOSAL EXPENSES- MAINTENANCE (i)
		(c)					
701	Salaries and Wages - Employees	\$	\$	\$	\$	\$	\$
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Production						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering						
732	Contractual Services - Accounting						
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other						
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workman's Comp.						
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp -Other						
770	Bad Debt Expense						
775	Miscellaneous Expenses						
	Total Wastewater Utility Expenses	\$	\$	\$	\$	\$	\$

S-10(a)
 GROUP _____

YEAR OF REPORT
 December 31,

UTILITY NAME: _____
 SYSTEM NAME / COUNTY: _____

WASTEWATER UTILITY EXPENSE ACCOUNT MATRIX

ACCT. NO. (a)	ACCOUNT NAME (b)	.7 CUSTOMER ACCOUNTS EXPENSE (f)	.8 ADMIN. & GENERAL EXPENSES (k)	.9 RECLAIMED WATER TREATMENT EXPENSES- OPERATIONS (l)	.10 RECLAIMED WATER TREATMENT EXPENSES- MAINTENANCE (m)	.11 RECLAIMED WATER DISTRIBUTION EXPENSES- OPERATIONS (n)	.12 RECLAIMED WATER DISTRIBUTION EXPENSES- MAINTENANCE (o)
701	Salaries and Wages - Employees						
703	Salaries and Wages - Officers, Directors and Majority Stockholders						
704	Employee Pensions and Benefits						
710	Purchased Sewage Treatment						
711	Sludge Removal Expense						
715	Purchased Power						
716	Fuel for Power Purchased						
718	Chemicals						
720	Materials and Supplies						
731	Contractual Services-Engineering						
732	Contractual Services - Accounting						
733	Contractual Services - Legal						
734	Contractual Services - Mgt. Fees						
735	Contractual Services - Testing						
736	Contractual Services - Other						
741	Rental of Building/Real Property						
742	Rental of Equipment						
750	Transportation Expenses						
756	Insurance - Vehicle						
757	Insurance - General Liability						
758	Insurance - Workman's Comp.						
759	Insurance - Other						
760	Advertising Expense						
766	Regulatory Commission Expenses - Amortization of Rate Case Expense						
767	Regulatory Commission Exp.-Other						
770	Bad Debt Expense						
775	Miscellaneous Expenses						
	Total Wastewater Utility Expenses	\$	\$	\$	\$	\$	\$

S-10(b)
 GROUP _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

CALCULATION OF THE WASTEWATER SYSTEM METER EQUIVALENTS

WATER METER SIZE (a)	TYPE OF WATER METER (b)	EQUIVALENT FACTOR (c)	NUMBER OF WATER METERS (d)	TOTAL NUMBER OF METER EQUIVALENTS (c x d) (e)
All Residential		1.0		
5/8"	Displacement	1.0		
3/4"	Displacement	1.5		
1"	Displacement	2.5		
1 1/2"	Displacement or Turbine	5.0		
2"	Displacement, Compound or Turbine	8.0		
3"	Displacement	15.0		
3"	Compound	16.0		
3"	Turbine	17.5		
4"	Displacement or Compound	25.0		
4"	Turbine	30.0		
6"	Displacement or Compound	50.0		
6"	Turbine	62.5		
8"	Compound	80.0		
8"	Turbine	90.0		
10"	Compound	115.0		
10"	Turbine	145.0		
12"	Turbine	215.0		
Total Wastewater System Meter Equivalents				

CALCULATION OF THE WASTEWATER SYSTEM EQUIVALENT RESIDENTIAL CONNECTIONS

Provide a calculation used to determine the value of one wastewater equivalent residential connection (ERC).

Use one of the following methods:

(a) If actual flow data are available from the preceding 12 months, divide the total annual single family residence (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.

(b) If no historical flow data are available, use:

$$ERC = (\text{Total SFR gallons treated (Omit 000)} / 365 \text{ days} / 280 \text{ gallons per day})$$

For wastewater only utilities:

Subtract all general use and other non residential customer gallons from the total gallons treated.

Divide the remainder (SFR customers) by 365 days to reveal single family residence customer gallons per day.

NOTE: Total gallons treated includes both treated and purchased treatment.

ERC Calculation:

S-11
 GROUP _____
 SYSTEM _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

WASTEWATER TREATMENT PLANT INFORMATION

Provide a separate sheet for each wastewater treatment facility

Permitted Capacity			
Basis of Permit Capacity (1)			
Manufacturer			
Type (2)			
Hydraulic Capacity			
Average Daily Flow			
Total Gallons of Wastewater Treated			
Method of Effluent Disposal			

(1) Basis of permitted capacity as stated on the Florida DEP WWTP Operating Permit
 (i.e. average annual daily flow, etc.)

(2) Contact stabilization, advanced treatment, etc.

S-12
 GROUP _____
 SYSTEM _____

UTILITY NAME: _____

YEAR OF REPORT December 31,

SYSTEM NAME / COUNTY : _____

OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present number of ERCs* now being served _____
2. Maximum number of ERCs* which can be served _____
3. Present system connection capacity (in ERCs*) using existing lines _____
4. Future connection capacity (in ERCs*) upon service area buildout _____
5. Estimated annual increase in ERCs* _____
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system

7. If the utility uses reuse as a means of effluent disposal, attach a list of the reuse end users and the amount of reuse provided to each, if known.
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? _____
If so, when? _____
9. Has the utility been required by the DEP or water management district to implement reuse? _____
If so, what are the utility's plans to comply with this requirement? _____

10. When did the company last file a capacity analysis report with the DEP? _____
11. If the present system does not meet the requirements of DEP rules:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
12. Department of Environmental Protection ID # _____

* An ERC is determined based on the calculation on S-11.

S-13
GROUP _____
SYSTEM _____

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**Reconciliation of Revenue to
 Regulatory Assessment Fee Revenue
 Water Operations
 Class A & B**

Company:
For the Year Ended December 31, _____

(a)	(b)	(c)	(d)
Accounts	Gross Water Revenues Per Sch. W-9	Gross Water Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Unmetered Water Revenues (460)	\$ _____	\$ _____	\$ _____
Total Metered Sales (461.1 - 461.5)	_____	_____	_____
Total Fire Protection Revenue (462.1 - 462.2)	_____	_____	_____
Other Sales to Public Authorities (464)	_____	_____	_____
Sales to Irrigation Customers (465)	_____	_____	_____
Sales for Resale (466)	_____	_____	_____
Interdepartmental Sales (467)	_____	_____	_____
Total Other Water Revenues (469 - 474)	_____	_____	_____
Total Water Operating Revenue	\$ _____	\$ _____	\$ _____
LESS: Expense for Purchased Water from FPSC-Regulated Utility	_____	_____	_____
Net Water Operating Revenues	\$ _____	\$ _____	\$ _____

Explanations:

Instructions:

For the current year, reconcile the gross water revenues reported on Schedule W-9 with the gross water revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

**Reconciliation of Revenue to
 Regulatory Assessment Fee Revenue
 Wastewater Operations
 Class A & B**

Company:
For the Year Ended December 31, _____

(a)	(b)	(c)	(d)
Accounts	Gross Wastewater Revenues Per Sch. S-9	Gross Wastewater Revenues Per RAF Return	Difference (b) - (c)
Gross Revenue:			
Total Flat-Rate Revenues (521.1 - 521.6)	\$ _____	\$ _____	\$ _____
Total Measured Revenues (522.1 - 522.5)	_____	_____	_____
Revenues from Public Authorities (523)	_____	_____	_____
Revenues from Other Systems (524)	_____	_____	_____
Interdepartmental Revenues (525)	_____	_____	_____
Total Other Wastewater Revenues (530 - 536)	_____	_____	_____
Reclaimed Water Sales (540.1 - 544)	_____	_____	_____
Total Wastewater Operating Revenue	\$ _____	\$ _____	\$ _____
LESS: Expense for Purchased Wastewater from FPSC-Regulated Utility	_____	_____	_____
Net Wastewater Operating Revenues	\$ _____	\$ _____	\$ _____
Explanations:			
Instructions: For the current year, reconcile the gross wastewater revenues reported on Schedule S-9 with the gross wastewater revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).			

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES
(Gross Revenue of Less Than \$350,000 ~~\$200,000~~ Each)

ANNUAL REPORT

OF

Exact Legal Name of Respondent

Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, _____

Form PSC 1033 (06/26) / ~~(5/22)~~ Rule 25-30.110, Florida Administrative Code

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the ~~1996~~ National Association of Regulatory Utility Commissioners (~~NARUC~~) Uniform Systems of Accounts for Water and Wastewater Utilities (~~NARUC USOA~~), ~~as adopted by~~ incorporated by reference in Rule 25-30.115 (4), Florida Administrative Code.
2. Interpret all accounting words and phrases in accordance with the ~~Uniform System of Accounts (NARUC USOA), Florida Statutes,~~ Commission Rules and the definitions on next page as set forth in Section I. General Definitions.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable." Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. All schedules requiring dollar entries should be rounded to the nearest dollar.
7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule in the report. Additional pages should reference the appropriate schedules, state the name of the utility, and state the year of the report.
9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
10. The utility shall file ~~the original and two copies~~ of the report with the Commission via email at AnnualReport@psc.state.fl.us, or by mail at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceeding year ending December 31.

Florida Public Service Commission
Division of Accounting and Finance
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

11. Pursuant to Rule 25-30.110-(6)-(a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Accounting and Finance, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (NARUC USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (NARUC USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (NARUC USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021(3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water or wastewater plant in process of construction, but not yet ready for services. (NARUC USOA)

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140(i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021(6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515(8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515(9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (NARUC USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (NARUC USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (NARUC USOA)

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FINANCIAL SECTION

REPORT OF

 (EXACT NAME OF UTILITY)

Mailing Address	Street Address	County
-----------------	----------------	--------

Telephone Number _____ Date Utility First Organized _____
 Fax Number _____ E-mail Address _____

Sunshine State One-Call of Florida, Inc. Member No. _____

Check the business entity of the utility as filed with the Internal Revenue Service:
 Individual Sub Chapter S Corporation 1120 Corporation Partnership

Name, Address and phone where records are located: _____

Name of subdivisions where services are provided: _____

CONTACTS:

Name	Title	Principal Business Address	Salary Charged Utility
Person to send correspondence: _____	_____	_____	
Person who prepared this report: _____	_____	_____	
Officers and Managers: _____ _____ _____ _____	_____ _____ _____ _____	_____ _____ _____ _____	\$ _____ \$ _____ \$ _____ \$ _____

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principal Business Address	Salary Charged Utility
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ _____	\$ _____	\$ _____	\$ _____
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Total Gross Revenue _____		\$ _____	\$ _____	\$ _____	\$ _____
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ _____	\$ _____	\$ _____	\$ _____
Depreciation Expense _____	F-5	_____	_____	_____	_____
CIAC Amortization Expense _____	F-8	_____	_____	_____	_____
Taxes Other Than Income _____	F-7	_____	_____	_____	_____
Income Taxes _____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ _____	_____	_____	\$ _____
Net Operating Income (Loss)		\$ _____	\$ _____	\$ _____	\$ _____
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ _____	\$ _____	\$ _____	\$ _____

F-3

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) _____	F-5,W-1,S-1	\$ _____	\$ _____
Accumulated Depreciation and Amortization (108)_____	F-5,W-2,S-2	_____	_____
Net Utility Plant_____		\$ _____	\$ _____
Cash_____		_____	_____
Customer Accounts Receivable (141)_____		_____	_____
Other Assets (Specify):_____		_____	_____
_____		_____	_____
_____		_____	_____
_____		_____	_____
Total Assets_____		\$ _____	\$ _____
Liabilities and Capital:			
Common Stock Issued (201)_____	F-6	_____	_____
Preferred Stock Issued (204)_____	F-6	_____	_____
Other Paid in Capital (211)_____		_____	_____
Retained Earnings (215)_____	F-6	_____	_____
Proprietary Capital (Proprietary and partnership only) (218)_____	F-6	_____	_____
Total Capital_____		\$ _____	\$ _____
Long Term Debt (224)_____	F-6	\$ _____	\$ _____
Accounts Payable (231)_____		_____	_____
Notes Payable (232)_____		_____	_____
Customer Deposits (235)_____		_____	_____
Accrued Taxes (236)_____		_____	_____
Other Liabilities (Specify)_____		_____	_____
_____		_____	_____
_____		_____	_____
Advances for Construction_____		_____	_____
Contributions in Aid of Construction - Net (271-272)_____	F-8	_____	_____
Total Liabilities and Capital_____		\$ _____	\$ _____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101)	\$ _____	\$ _____	\$ _____	\$ _____
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ _____	\$ _____	\$ _____	\$ _____

ACCUMULATED DEPRECIATION (A/D) AND AMORTIZATION OF UTILITY PLANT

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ _____	\$ _____	\$ _____	\$ _____
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share_____	_____	_____
Shares authorized_____	_____	_____
Shares issued and outstanding_____	_____	_____
Total par value of stock issued_____	_____	_____
Dividends declared per share for year_____	_____	_____

RETAINED EARNINGS (215)

	Appropriated	Un- Appropriated
Balance first of year_____	\$ _____	\$ _____
Changes during the year (Specify): _____	_____	_____
_____	_____	_____
_____	_____	_____
Balance end of year_____	\$ _____	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year_____	\$ _____	\$ _____
Changes during the year (Specify): _____	_____	_____
_____	_____	_____
_____	_____	_____
Balance end of year_____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total_____			\$ _____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

TAX EXPENSE

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ _____	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income:				
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	_____	_____	_____	_____
Regulatory assessment fee _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Tax Expense _____	\$ _____	\$ _____	\$ _____	\$ _____

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.			
Name of Recipient	Water Amount	Wastewater Amount	Description of Service
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ _____	\$ _____	\$ _____
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	_____	_____	_____
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	_____	_____	_____
6) Less Accumulated Amortization _____	_____	_____	_____
7) Net CIAC _____	\$ _____	\$ _____	\$ _____

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

Report below all developers or contractors agreements from which cash or property was received during the year.	Indicate "Cash" or "Property"	Water	Wastewater
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Sub-total _____		\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.			
Description of Charge	Number of Connections	Charge per Connection	
_____	_____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____		\$ _____	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ _____	\$ _____	\$ _____
Add Debits During Year: _____	_____	_____	_____
Deduct Credits During Year: _____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ _____	\$ _____	\$ _____

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31, _____

SCHEDULE "A"

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	_____ 100.00 %		_____ %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: _____ %
Commission Order Number approving AFUDC rate: _____

WATER OPERATING SECTION

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises_____	_____	_____	_____	_____
303	Land and Land Rights_____	_____	_____	_____	_____
304	Structures and Improvements_____	_____	_____	_____	_____
305	Collecting and Impounding Reservoirs_____	_____	_____	_____	_____
306	Lake, River and Other Intakes_____	_____	_____	_____	_____
307	Wells and Springs_____	_____	_____	_____	_____
308	Infiltration Galleries and Tunnels_____	_____	_____	_____	_____
309	Supply Mains_____	_____	_____	_____	_____
310	Power Generation Equipment_____	_____	_____	_____	_____
311	Pumping Equipment_____	_____	_____	_____	_____
320	Water Treatment Equipment_____	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes_____	_____	_____	_____	_____
331	Transmission and Distribution Lines_____	_____	_____	_____	_____
333	Services_____	_____	_____	_____	_____
334	Meters and Meter Installations_____	_____	_____	_____	_____
335	Hydrants_____	_____	_____	_____	_____
336	Backflow Prevention Devices_____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
340	Office Furniture and Equipment_____	_____	_____	_____	_____
341	Transportation Equipment_____	_____	_____	_____	_____
342	Stores Equipment_____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment_____	_____	_____	_____	_____
344	Laboratory Equipment_____	_____	_____	_____	_____
345	Power Operated Equipment_____	_____	_____	_____	_____
346	Communication Equipment_____	_____	_____	_____	_____
347	Miscellaneous Equipment_____	_____	_____	_____	_____
348	Other Tangible Plant_____	_____	_____	_____	_____
	Total Water Plant_____	\$ _____	\$ _____	\$ _____	\$ _____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
304	Structures and Improvements	_____	_____ %	_____ %	\$ _____	\$ _____	\$ _____	\$ _____
305	Collecting and Impounding Reservoirs	_____	_____ %	_____ %	_____	_____	_____	_____
306	Lake, River and Other Intakes	_____	_____ %	_____ %	_____	_____	_____	_____
307	Wells and Springs	_____	_____ %	_____ %	_____	_____	_____	_____
308	Infiltration Galleries & Tunnels	_____	_____ %	_____ %	_____	_____	_____	_____
309	Supply Mains	_____	_____ %	_____ %	_____	_____	_____	_____
310	Power Generating Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
311	Pumping Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
320	Water Treatment Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
330	Distribution Reservoirs & Standpipes	_____	_____ %	_____ %	_____	_____	_____	_____
331	Trans. & Dist. Mains	_____	_____ %	_____ %	_____	_____	_____	_____
333	Services	_____	_____ %	_____ %	_____	_____	_____	_____
334	Meter & Meter Installations	_____	_____ %	_____ %	_____	_____	_____	_____
335	Hydrants	_____	_____ %	_____ %	_____	_____	_____	_____
336	Backflow Prevention Devices	_____	_____ %	_____ %	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
340	Office Furniture and Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
341	Transportation Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
342	Stores Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
344	Laboratory Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
345	Power Operated Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
346	Communication Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
347	Miscellaneous Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
348	Other Intangible Plant	_____	_____ %	_____ %	_____	_____	_____	_____
	Totals	_____	_____ %	_____ %	\$ _____	\$ _____	\$ _____	\$ _____

* This amount should tie to Sheet F-5.

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

WATER OPERATION AND MAINTENANCE EXPENSE

Acct No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	_____
604	Employee Pensions and Benefits _____	_____
610	Purchased Water _____	_____
615	Purchased Power _____	_____
616	Fuel for Power Production _____	_____
618	Chemicals _____	_____
620	Materials and Supplies _____	_____
630	Contractual Services:	
	Billing _____	_____
	Professional _____	_____
	Testing _____	_____
	Other _____	_____
640	Rents _____	_____
650	Transportation Expense _____	_____
655	Insurance Expense _____	_____
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	_____
670	Bad Debt Expense _____	_____
675	Miscellaneous Expenses _____	_____
	Total Water Operation And Maintenance Expense _____	\$ _____ *

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
General Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
2"	D,C,T	8.0	_____	_____	_____
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____
** D = Displacement C = Compound T = Turbine			Total	_____	_____

W-3

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January _____	_____	_____	_____	_____	_____
February _____	_____	_____	_____	_____	_____
March _____	_____	_____	_____	_____	_____
April _____	_____	_____	_____	_____	_____
May _____	_____	_____	_____	_____	_____
June _____	_____	_____	_____	_____	_____
July _____	_____	_____	_____	_____	_____
August _____	_____	_____	_____	_____	_____
September _____	_____	_____	_____	_____	_____
October _____	_____	_____	_____	_____	_____
November _____	_____	_____	_____	_____	_____
December _____	_____	_____	_____	_____	_____
Total for Year _____	_____	_____	_____	_____	_____

If water is purchased for resale, indicate the following:
 Vendor _____
 Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	_____	_____	_____	_____
Types of Well Construction and Casing _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Depth of Wells _____	_____	_____	_____	_____
Diameters of Wells _____	_____	_____	_____	_____
Pump - GPM _____	_____	_____	_____	_____
Motor - HP _____	_____	_____	_____	_____
Motor Type * _____	_____	_____	_____	_____
Yields of Wells in GPD _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	_____	_____	_____	_____
Capacity of Tank _____	_____	_____	_____	_____
Ground or Elevated _____	_____	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Rated Horsepower _____	_____	_____	_____	_____
<u>Pumps</u>				
Manufacturer _____	_____	_____	_____	_____
Type _____	_____	_____	_____	_____
Capacity in GPM _____	_____	_____	_____	_____
Average Number of Hours Operated Per Day _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_____	_____	_____	_____
Type of Source_____	_____	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	_____	_____	_____
Make_____	_____	_____	_____
Permitted Capacity (GPD)_____	_____	_____	_____
High service pumping	_____	_____	_____
Gallons per minute_____	_____	_____	_____
Reverse Osmosis_____	_____	_____	_____
Lime Treatment	_____	_____	_____
Unit Rating_____	_____	_____	_____
Filtration	_____	_____	_____
Pressure Sq. Ft._____	_____	_____	_____
Gravity GPD/Sq.Ft._____	_____	_____	_____
Disinfection	_____	_____	_____
Chlorinator_____	_____	_____	_____
Ozone_____	_____	_____	_____
Other_____	_____	_____	_____
Auxiliary Power_____	_____	_____	_____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31, _____

SYSTEM NAME: _____

GENERAL WATER SYSTEM INFORMATION

<p>Furnish information below for each system. A separate page should be supplied where necessary.</p>
<p>1. Present ERC's * the system can efficiently serve. _____ <u>Maximum number</u> number of ERCs * which can be served. _____</p> <p>3. Present system connection capacity (in ERCs *) using existing lines. _____</p> <p>4. Future connection capacity (in ERCs *) upon service area buildout. _____</p> <p>5. Estimated annual increase in ERCs *. _____</p> <p>6. Is the utility required to have fire flow capacity? _____ If so, how much capacity is required? _____</p> <p>7. Attach a description of the fire fighting facilities.</p> <p>8. Describe any plans and estimated completion dates for any enlargements or improvements of this system. _____ _____ _____</p> <p>9. When did the company last file a capacity analysis report with the DEP? _____</p> <p>10. If the present system does not meet the requirements of DEP rules, submit the following:</p> <p>a. Attach a description of the plant upgrade necessary to meet the DEP rules.</p> <p>b. Have these plans been approved by DEP? _____</p> <p>c. When will construction begin? _____</p> <p>d. Attach plans for funding the required upgrading.</p> <p>e. Is this system under any Consent Order with DEP? _____</p> <p>11. Department of Environmental Protection ID # _____</p> <p>12. Water Management District Consumptive Use Permit # _____</p> <p>a. Is the system in compliance with the requirements of the CUP? _____</p> <p>b. If not, what are the utility's plans to gain compliance? _____ _____ _____</p>
<p>* An ERC is determined based on one of the following methods:</p> <p>(a) If actual flow data are available from the preceding preceding 12 months: Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.</p> <p>(b) If no historical flow data are available use: ERC = (Total SFR gallons sold (omit 000/365 days/350 gallons per day).</p>

WASTEWATER OPERATING SECTION

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights _____	_____	_____	_____	_____
354	Structures and Improvements _____	_____	_____	_____	_____
355	Power Generation Equipment _____	_____	_____	_____	_____
360	Collection Sewers - Force _____	_____	_____	_____	_____
361	Collection Sewers - Gravity _____	_____	_____	_____	_____
362	Special Collecting Structures _____	_____	_____	_____	_____
363	Services to Customers _____	_____	_____	_____	_____
364	Flow Measuring Devices _____	_____	_____	_____	_____
365	Flow Measuring Installations _____	_____	_____	_____	_____
370	Receiving Wells _____	_____	_____	_____	_____
371	Pumping Equipment _____	_____	_____	_____	_____
380	Treatment and Disposal Equipment _____	_____	_____	_____	_____
381	Plant Sewers _____	_____	_____	_____	_____
382	Outfall Sewer Lines _____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment _____	_____	_____	_____	_____
390	Office Furniture and Equipment _____	_____	_____	_____	_____
391	Transportation Equipment _____	_____	_____	_____	_____
392	Stores Equipment _____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment _____	_____	_____	_____	_____
394	Laboratory Equipment _____	_____	_____	_____	_____
395	Power Operated Equipment _____	_____	_____	_____	_____
396	Communication Equipment _____	_____	_____	_____	_____
397	Miscellaneous Equipment _____	_____	_____	_____	_____
398	Other Tangible Plant _____	_____	_____	_____	_____
	Total Wastewater Plant_____	\$ _____	\$ _____	\$ _____	\$ _____*

* This amount should tie to sheet F-5.

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31.

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f+g-h=) (i)
354	Structures and Improvements	_____	_____ %	_____ %	\$ _____	\$ _____	\$ _____	\$ _____
355	Power Generation Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
360	Collection Sewers - Force	_____	_____ %	_____ %	_____	_____	_____	_____
361	Collection Sewers - Gravity	_____	_____ %	_____ %	_____	_____	_____	_____
362	Special Collecting Structures	_____	_____ %	_____ %	_____	_____	_____	_____
363	Services to Customers	_____	_____ %	_____ %	_____	_____	_____	_____
364	Flow Measuring Devices	_____	_____ %	_____ %	_____	_____	_____	_____
365	Flow Measuring Installations	_____	_____ %	_____ %	_____	_____	_____	_____
370	Receiving Wells	_____	_____ %	_____ %	_____	_____	_____	_____
371	Pumping Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
380	Treatment and Disposal Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
381	Plant Sewers	_____	_____ %	_____ %	_____	_____	_____	_____
382	Outfall Sewer Lines	_____	_____ %	_____ %	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
390	Office Furniture and Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
391	Transportation Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
392	Stores Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
394	Laboratory Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
395	Power Operated Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
396	Communication Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
397	Miscellaneous Equipment	_____	_____ %	_____ %	_____	_____	_____	_____
398	Other Tangible Plant	_____	_____ %	_____ %	_____	_____	_____	_____
	Totals	_____	_____ %	_____ %	\$ _____	\$ _____	\$ _____	\$ _____*

* This amount should tie to Sheet F-5.

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees_____	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders_____	_____
704	Employee Pensions and Benefits_____	_____
710	Purchased Wastewater Treatment_____	_____
711	Sludge Removal Expense_____	_____
715	Purchased Power_____	_____
716	Fuel for Power Production_____	_____
718	Chemicals_____	_____
720	Materials and Supplies_____	_____
730	Contractual Services:	
	Billing_____	_____
	Professional_____	_____
	Testing_____	_____
	Other_____	_____
740	Rents_____	_____
750	Transportation Expense_____	_____
755	Insurance Expense_____	_____
765	Regulatory Commission Expenses (Amortized Rate Case Expense)_____	_____
770	Bad Debt Expense_____	_____
775	Miscellaneous Expenses_____	_____
	Total Wastewater Operation And Maintenance Expense_____	\$ _____*

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
All meter sizes	D	1.0	_____	_____	_____
General Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
2"	D,C,T	8.0	_____	_____	_____
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____
Total			=====	=====	=====

** D = Displacement
 C = Compound
 T = Turbine

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

PUMPING EQUIPMENT

Lift Station Number _____	_____	_____	_____	_____	_____	_____
Make or Type and nameplate data on pump _____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
Year installed _____	_____	_____	_____	_____	_____	_____
Rated capacity _____	_____	_____	_____	_____	_____	_____
Size _____	_____	_____	_____	_____	_____	_____
Power:						
Electric _____	_____	_____	_____	_____	_____	_____
Mechanical _____	_____	_____	_____	_____	_____	_____
Nameplate data of motor _____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches) _____	_____	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.) _____	_____	_____	_____	_____	_____	_____
Average length _____	_____	_____	_____	_____	_____	_____
Number of active service connections _____	_____	_____	_____	_____	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____
End of year _____	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections _____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches) _____	_____	_____	_____	_____	_____	_____	_____	_____
Type of main _____	_____	_____	_____	_____	_____	_____	_____	_____
Length of main (nearest foot) _____	_____	_____	_____	_____	_____	_____	_____	_____
Beginning of year _____	_____	_____	_____	_____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____	_____	_____	_____	_____
End of year _____	_____	_____	_____	_____	_____	_____	_____	_____

MANHOLES

Size (inches) _____	_____	_____	_____	_____
Type of Manhole _____	_____	_____	_____	_____
Number of Manholes:				
Beginning of year _____	_____	_____	_____	_____
Added during year _____	_____	_____	_____	_____
Retired during year _____	_____	_____	_____	_____
End of Year _____	_____	_____	_____	_____

UTILITY NAME: _____

SYSTEM NAME: _____

YEAR OF REPORT DECEMBER 31,

TREATMENT PLANT

Manufacturer _____ Type _____ "Steel" or "Concrete" _____ Total Permitted Capacity _____ Average Daily Flow _____ Method of Effluent Disposal _____ Permitted Capacity of Disposal _____ Total Gallons of Wastewater treated _____				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

MASTER LIFT STATION PUMPS

Manufacturer _____ Capacity (GPM's) _____ Motor: Manufacturer _____ Horsepower _____ Power (Electric or Mechanical) _____						
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	_____	_____	_____
February _____	_____	_____	_____
March _____	_____	_____	_____
April _____	_____	_____	_____
May _____	_____	_____	_____
June _____	_____	_____	_____
July _____	_____	_____	_____
August _____	_____	_____	_____
September _____	_____	_____	_____
October _____	_____	_____	_____
November _____	_____	_____	_____
December _____	_____	_____	_____
Total for year _____	=====	=====	=====

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: _____

YEAR OF REPORT DECEMBER 31,

SYSTEM NAME: _____

GENERAL WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.
1. Present number of ERCs* now being served. _____ 2. Maximum number of ERCs* which can be served. _____ 3. Present system connection capacity (in ERCs*) using existing lines. _____ 4. Future connection capacity (in ERCs*) upon service area buildout. _____ 5. Estimated annual increase in ERCs*. _____ 6. Describe any plans and estimated completion dates for any enlargements or improvements of this system _____ _____ _____ 7. If the utility uses reuse as a means of effluent disposal, provide a list of the reuse end users and the amount of reuse provided to each, if known. _____ 8. If the utility does not engage in reuse, has a reuse feasibility study been completed? _____ If so, when? _____ 9. Has the utility been required by the DEP or water management district to implement reuse? _____ If so, what are the utility's plans to comply with this requirement? _____ _____ 10. When did the company last file a capacity analysis report with the DEP? _____ 11. If the present system does not meet the requirements of DEP rules, submit the following: a. Attach a description of the plant upgrade necessary to meet the DEP rules. _____ b. Have these plans been approved by DEP? _____ c. When will construction begin? _____ d. Attach plans for funding the required upgrading. _____ e. Is this system under any Consent Order with DEP? _____ 12. Department of Environmental Protection ID # _____
* An ERC is determined based on one of the following methods: (a) If actual flow data are available from the <u>preceding preceding</u> 12 months: Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days. (b) If no historical flow data are available use: $ERC = (Total\ SFR\ gallons\ sold\ (omit\ 000/365\ days/280\ gallons\ per\ day))$

UTILITY NAME: _____

YEAR OF REPORT

DECEMBER 31,

VERIFICATION OF ANNUAL REPORT

I HEREBY VERIFY, to the best of my knowledge and belief:

- | | | |
|---------------------------------|--------------------------------|---|
| YES
<input type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code. |
| YES
<input type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input type="checkbox"/> | NO
<input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
<input type="checkbox"/> | NO
<input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

(signature of chief executive officer of the utility)

Date: _____

(signature of chief financial officer of the utility)

Date: _____

*

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

V-1

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-

DATE: May 6, 2026

TO: Jennifer Augspurger, Senior Attorney, Office of the General Counsel

FROM: Sevini K. Guffey, Public Utility Analyst IV, Division of Economics *SKg*

RE: Statement of Estimated Regulatory Costs (SERC)
Docket No. 20260022-WS: Proposed amendment of Rules 25-30.115, Florida Administrative Code (F.A.C.), Uniform System of Accounts for Water and Wastewater Utilities; 25-30.033, (F.A.C.), Application for Original Certificate of Authorization and Initial Rates and Charges; 25-30.037, (F.A.C.), Application for Authority to Transfer; 25-30.0372, (F.A.C.), Alternative Procedure for Establishing Rate Base Value of Acquired Utility System; 25-30.110, (F.A.C.), Records and Reports, Annual Reports; 25-30.140, (F.A.C.), Depreciation; 25-30.433, (F.A.C.), Rate Case Proceedings; 25-30.444, (F.A.C.), Reserve Fund; and 25-30.445, (F.A.C.), General Information and Instructions Required of Water and Wastewater Utilities in an Application for a Limited Proceeding.

The current version of Rule 25-30.115, Florida Administrative Code (F.A.C.), requires utilities to follow the now obsolete 1996 version of National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) for water and wastewater utilities. In 2024, NARUC adopted a revised Uniform Systems of Accounts for water and wastewater utilities.

Rule 25-30.115, F.A.C., directs regulated water and wastewater utilities to keep their accounts and records in conformance with NARUC's Uniform System of Accounts (USOA). In addition to Rule 25-30.115, F.A.C., the Commission is also proposing revisions to incorporate by reference the revised USOA in the following rules: Rules 25-30.033, 25-30.037, 25-30.110, 25-30.140, 25-30.0372, 25-30.433, 25-30.444, and 25-30.445, F.A.C.

In order to assess and consider the fiscal impacts of the proposed amendments to the above referenced rules, staff issued a data request to regulated water and wastewater utilities. The responding utilities stated that the proposed revisions to the rules listed above will not result in negative fiscal impacts to the utilities. No regulatory alternatives were submitted pursuant to Section 120.541(1)(a), F.S. by any affected entity. None of the impacts/cost criteria established in Section 120.541(2)(a) – (e), F.S., will be exceeded as a result of the proposed revisions to these rules.

cc: SERC File

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.115, F.A.C., Uniform System of Accounts for Water and Wastewater Utilities

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes No

If the answer to Question 1 is "yes," see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes No

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.115, F.A.C., is being updated to clarify and incorporate current (2024) NARUC Uniform System of Accounts (USOA) references for water and wastewater utilities.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 124 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.115, F.A.C.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or

consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.115, F.A.C.

Other. Provide an explanation for estimate and methodology used.

(2) A "Small City" is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A "small county" is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing requiring education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.033, F.A.C., Application for Original Certificate of Authorization and Initial Rates
and Charges

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes

No

If the answer to Question 1 is "yes," see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes

No

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth Yes No

Private-sector job creation or employment Yes No

Private-sector investment Yes No

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets) Yes No

Productivity Yes No

Innovation Yes No

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.033, F.A.C., is being updated to clarify and incorporate current (2024) NARUC Uniform System of Accounts (USOA) references for water and wastewater utilities.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 124 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.033, F.A.C.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated

utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.033, F.A.C.

Other. Provide an explanation for estimate and methodology used.

(2) A "Small City" is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A "small county" is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing requiring education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.037, F.A.C., Application for Authority to Transfer.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes No

If the answer to Question 1 is "yes," see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes No

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.037, F.A.C., is being updated to clarify and incorporate current (2024) NARUC Uniform System of Accounts (USOA) references for water and wastewater utilities.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 124 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

None. To be done with the current workload and existing staff.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

None.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.037, F.A.C.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or

consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.037, F.A.C.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing requiring education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.0372, F.A.C., Alternative Procedure for Establishing Rate Base Value of Acquired
Utility System.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes

No

If the answer to Question 1 is “yes,” see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes

No

If the answer to either question above is “yes,” a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth Yes No

Private-sector job creation or employment Yes No

Private-sector investment Yes No

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets) Yes No

Productivity Yes No

Innovation Yes No

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.0372, F.A.C., is being updated to clarify and incorporate current (2024) NARUC Uniform System of Accounts (USOA) references for water and wastewater utilities.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 124 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.0372, F.A.C.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated

utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.0372, F.A.C.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing requiring education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.110, F.A.C., Records and Reports; Annual Reports.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes No

If the answer to Question 1 is "yes," see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes No

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule?

[120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.110, F.A.C., is being updated to clarify and incorporate current (2024) NARUC Uniform System of Accounts (USOA) references for water and wastewater utilities.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 124 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.110, F.A.C.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the

implementation of the proposed amendments to Rule 25-30.110, F.A.C.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing required education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.140, F.A.C., Depreciation.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes No

If the answer to Question 1 is "yes," see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes No

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule?

[120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.140, F.A.C., is being updated to clarify and incorporate current (2024) NARUC Uniform System of Accounts (USOA) references for water and wastewater utilities.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 124 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.140, F.A.C.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the

implementation of the proposed amendments to Rule 25-30.140, F.A.C.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing required education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.433, F.A.C., Rate Case Proceedings.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E. below for definition of small business.)	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If the answer to Question 1 is "yes," see comments in Section E.	
2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:	
(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]	
Economic growth	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]	
Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule?	

[120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.433, F.A.C., is being updated to clarify and incorporate current (2024) NARUC Uniform System of Accounts (USOA) references for water and wastewater utilities.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 124 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.444, F.A.C.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the

implementation of the proposed amendments to Rule 25-30.433, F.A.C.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing required education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.444, F.A.C., Utility Reserve Fund.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E. below for definition of small business.)	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If the answer to Question 1 is "yes," see comments in Section E.	
2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:	
(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]	
Economic growth	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]	
Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule?	

[120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.444 F.A.C., is being updated to clarify and incorporate current (2024) NARUC Uniform System of Accounts (USOA) references for water and wastewater utilities.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 124 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.444, F.A.C.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the

implementation of the proposed amendments to Rule 25-30.444, F.A.C.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing required education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.445, F.A.C., General Information and Instructions Required of Water and
Wastewater Utilities in an Application for a Limited Proceeding.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes

No

If the answer to Question 1 is "yes," see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes

No

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth Yes No

Private-sector job creation or employment Yes No

Private-sector investment Yes No

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets) Yes No

Productivity Yes No

Innovation Yes No

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1

million in the aggregate within 5 years after the implementation of the rule?
[120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.445 F.A.C., is being updated to clarify and incorporate current (2024) NARUC Uniform System of Accounts (USOA) references for water and wastewater utilities.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 124 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

None. To be done with the current workload and existing staff.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

None.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.445, F.A.C.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation. The cost to purchase a copy of a 2024 NARUC "Uniform System of Accounts for Water Utilities" or a NARUC "Uniform System of Accounts for Wastewater Utilities" via NARUC's website is \$30 per manual. The modified rule will affect approximately 124 water and 86 wastewater regulated utilities. There may be additional costs to certain utilities to hire an accountant or consultant to aid in any changes necessary to its books and records. However, the cost

will not be in excess of \$1 million in the aggregate within 5 years after the implementation of the proposed amendments to Rule 25-30.445, F.A.C.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing requiring education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Item 3

FILED 5/20/2026
DOCUMENT NO. 03031-2026
FPSC - COMMISSION CLERK

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Office of the General Counsel (Sapoznikoff) *SMC*
Division of Economics (Bruce, Guffey, Hampson, Hudson) *EJD*
Division of Engineering (King) *TB*

RE: Docket No. 20260040-OT – Proposed amendment of Rules 25-6.003, Definitions; 25-30.255, Measurement of Service for Water Utilities; and 25-30.434, FAC, Application for Allowance for Funds Prudently Invested (AFPI) Charges; and proposed repeal of Rules 25-9.020, Front Cover; 25-9.060, Front Cover; 25-9.071, Back Cover; and 25-30.010, F.A.C., Rules for General Application

AGENDA: 06/02/26 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Ortega

CRITICAL DATES: 09/21/26 (Rule must be proposed by this date pursuant to Section 120.54(2)(a)2., F.S.)

RULE STATUS: Proposal May Be Deferred

SPECIAL INSTRUCTIONS: None

Case Background

In 2025, the Legislature amended Chapter 120, Florida Statutes, to require each agency to review all of its rules over a five-year period. This recommendation addresses the following rules that were identified in the Commission's rule review as part of the rules needing amendment or repeal:

Rules Identified as Needing to be Amended

- Rule 25-6.003, F.A.C., Definitions
- Rule 25-30.255, F.A.C., Measurement of Service for Water Utilities
- Rule 25-30.434, F.A.C., Application for Allowance for Funds Prudently Invested (AFPI) Charges.

Rules Identified as Needing to be Repealed

- Rule 25-9.020, F.A.C., Front Cover
- Rule 25-9.060, F.A.C., Front Cover
- Rule 25-9.071, F.A.C., Back Cover
- Rule 25-30.010, F.A.C., Rules for General Application

The Commission's Notices of Development of Rulemaking were published in Volume 52, Number 57, of the Florida Administrative Register on March 24, 2026. OPC requested a workshop regarding Rule 25-30.434, F.A.C. However, OPC later submitted written comments in lieu of holding a workshop, which comments are incorporated in the draft amendments.

This recommendation addresses whether the Commission should propose the amendment of Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., and the repeal of Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C. The Commission has jurisdiction pursuant to Section 120.54, 350.127(2), 366.05(1), and 367.121, Florida Statutes.

Discussion of Issues

Issue 1: Should the Commission propose the amendment of Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., and the repeal of Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C.?

Recommendation: Yes. The Commission should propose the amendment of Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., and the repeal of Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C., as set forth in Attachment A. The Commission should also certify the rules as minor violation rules. (Sapoznikoff, Hampson, King, Bruce, Guffey)

Staff Analysis: The purpose of this rulemaking is to amend Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., to update and clarify the rules to reflect current practice and use, and to repeal Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C., because those rules do not reflect current procedure, or are unnecessary or repetitive. Staff recommends the Commission should propose the amendment of Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., and repeal Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C., as set forth in Attachment A.

Of particular note, for Rules 25-6.003 and 25-30.255, F.A.C., staff determined that the materials incorporated by reference were no longer relevant and, thus, not necessary. The recommended amendments to those rules delete references to the listed materials, and update and clarify the rule language.

In addition, for Rule 25-30.434, F.A.C., which addresses AFPI charges, staff determined that the existing form did not provide all of the information needed and a new form was developed. The recommended amendments delete use of and reference to the old form, incorporate by reference the new form, and update and clarify the rule language to reflect Commission practice.

Minor Violation Rule Certification

Pursuant to Section 120.695, F.S., for each rule filed for adoption, the agency head shall certify whether any part of a rule is designated as a rule the violation of which would be a minor violation. Under Section 120.695(2)(b), F.S., a violation of a rule is minor if it does not result in economic or physical harm to a person or adversely affect the public health, safety, or welfare or create a significant threat of such harm. Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., are all currently listed as minor violation rules, and staff recommends that all should remain listed as minor violation rules by the Commission. These rules are minor violation rules because the violation of any of them would not result in economic or physical harm to a person, cause an adverse effect on the public health, safety, or welfare, or create a significant threat of such harm. Therefore, for the purposes of filing the rules for adoption with the Department of State, staff recommends that the Commission certify Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., as minor violation rules. Staff notes that Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C., were on the Commission's list of minor violation rules. Staff recommends that the Commission certify that Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C., were minor

violation rules. Once those rules are repealed, they should be removed from the list of minor violation rules.

Statement of Estimated Regulatory Costs

Section 120.54(3)(b)1., F.S., encourages agencies to prepare a Statement of Estimated Regulatory Costs (SERC) before the adoption, amendment, or repeal of any rule. A SERC was prepared for each rule in this rulemaking and they are appended as Attachment B. As required by Section 120.541(2)(a)1., F.S., the SERC analysis includes whether the rule amendments or repeals are individually likely to have an adverse impact on economic growth, private sector job creation or employment, or private sector investment in excess of \$1 million in the aggregate within five years after implementation.

The SERCs conclude that neither the amendment nor the repeal of any of the rules will likely directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in Florida within one year after implementation. Further, the SERCs conclude that neither the rule amendments nor rule repeals will likely increase regulatory costs, including any transactional costs, or have an adverse impact on business competitiveness, productivity, or innovation, in excess of \$1 million in the aggregate within five years of implementation. Thus, pursuant to Section 120.541(3), F.S., none of the rules require legislative ratification.

In addition, the SERCs indicate that neither the amendment nor repeal of any of the rules would have an adverse impact on small businesses, would have any implementation or enforcement costs on the Commission or any other state or local government entity, or would have any impact on small cities or small counties. The SERCs state that there will be no transactional costs likely to be incurred by individuals and entities required to comply with the requirements. None of the impact/cost criteria established in Section 120.541(2)(a), F.S., will be exceeded as a result of any of the rules. Finally, the SERCs indicate that there are no market impacts likely to result from compliance with the proposed rules.

Conclusion

Based on the foregoing, staff recommends that the Commission should propose the amendment of Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., and repeal Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C., as set forth in Attachment A. Staff also recommends the Commission certify Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., as minor violation rules. Once Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C., are repealed, staff recommends they should be removed from the list of minor violation rules.

Issue 2: Should this docket be closed?

Recommendation: Yes. If no requests for hearing are made or comments from the Joint Administrative Procedures Committee (JAPC) are filed, and no proposals for lower cost regulatory alternatives are submitted pursuant to Section 120.541(1)(a), F.S., then Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., should be filed with the Department of State for adoption, Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C., should be filed for repeal with the Department of State, and the docket should be closed. (Sapoznikoff)

Staff Analysis: If no request for hearing is made or comments from JAPC are filed, and no proposals for a lower cost regulatory alternatives are submitted pursuant to Section 120.541(1)(a), F.S., then Rules 25-6.003, 25-30.255, and 25-30.434, F.A.C., should be filed with the Department of State for adoption, Rules 25-9.020, 25-9.060, 25-9.071, and 25-30.010, F.A.C., should be filed for repeal with the Department of State, and the docket should be closed.

RULES TO BE AMENDED

1 **25-6.003 Definitions.**

2 ~~(1) Definitions of general applicability. The definitions of terms used in this chapter are as~~
3 ~~shall be stated in the Authoritative Dictionary of IEEE Standard Terms, 7th edition, published~~
4 ~~in December 2000, incorporated herein by reference, except to the extent and for the purposes~~
5 ~~that the terms are defined elsewhere in this chapter. The definitions in subsection (2) shall be~~
6 ~~used for all purposes in this chapter.~~

7 ~~(2) Definitions of terms:~~

8 ~~(1)(a)~~ “Commission.” Unless a different intent clearly appears from the context, the word
9 “Commission” means ~~shall be construed to mean~~ the Florida Public Service Commission.

10 ~~(2)(b)~~ “Customer.” Any person, firm, partnership, company, corporation, association,
11 governmental agency or similar organization, that who makes application for and is supplied
12 with electric service by the utility for its ultimate use and not for use by, to, or through any
13 other person or entity unless specifically authorized by the Commission.

14 ~~(3)(e)~~ “Meter.” The word “meter,” when used in these rules without other qualification,
15 means ~~shall be construed to mean~~ any device used for the purpose of measuring the service
16 rendered to a customer by a utility.

17 ~~(4)(d)~~ “Point of Delivery.” The first point of connection between the facilities of the
18 serving utility and the premises wiring.

19 ~~(5)(e)~~ “Service.” The supply of electricity by the utility to the customer, including the
20 readiness to serve and availability of electrical energy at the customer’s point of delivery at the
21 standard available voltage and frequency whether or not utilized by the customer.

22 ~~(6)(f)~~ “Service Drop.” The overhead service conductors from the last pole or other aerial
23 support to and including the splices, if any, connecting to the service entrance conductors at
24 the building or other structure.

25 ~~(7)(g)~~ “Service Lateral.” The underground conductors between the transformer(s) or

CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

1 transformer secondary, including any risers at a pole or other structure, and the point of
2 delivery.

3 ~~(8)(h)~~ “Utility.” Unless a different intent clearly appears from the context, the word or
4 words “utility” or “electric utility” as used in these ~~has shall have~~ the same meaning as “public
5 utility” as defined in set out for Section 366.02, F.S., and includes ~~shall include~~ all such
6 utilities subject to Commission jurisdiction.

7 *Rulemaking Authority 366.05(1) FS. Law Implemented 366.05(1) FS. History—New 7-29-69,*
8 *Amended 4-13-80, Formerly 25-6.03, Amended 12-4-03,_____.*

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25-30.255 Measurement of Service for Water Utilities.

(1) Except as provided in subsection (2) of this rule, each utility must ~~shall~~ measure water sold upon the basis of metered volume sales unless the Commission approved flat rate service arrangements for that utility.

(2) A utility may provide flat rate on estimated service for:

(a) Temporary service where the utility can readily estimate water use.

(b) Public and private fire protection service.

(c) Water used for street sprinkling and sewer flushing when provided for by contract between the utility and the municipality or other local governmental authority.

~~(3) To measure service, each utility shall use meters which conform to the Standards for Cold Water Meters as adopted by the American Waterworks Association. Copies of these manuals and standards may be obtained from the American Waterworks Association, Publication Sales Department, 6666 West Quincy Avenue, Denver, Colorado 80235. Rulemaking Authority 350.127(2), 367.121 FS. Law Implemented 367.081, 367.111 FS. History—New 9-12-74, Formerly 25-10.87, 25-10.087, Amended 11-10-86,_____.~~

1 **25-30.434 Application for Allowance for Funds Prudently Invested (AFPI) Charges.**

2 (1) An Allowance for Funds Prudently Invested (AFPI) charge is a mechanism ~~that which~~
3 allows a utility the opportunity to earn a fair rate of return on prudently constructed plant held
4 for future use from the future customers to be served by that plant in the form of a charge paid
5 by those customers.

6 (2) Each application for AFPI charges must ~~shall~~ comply with the notice requirements
7 specified in Rule 25-30.4345, F.A.C.

8 (3) Each application for AFPI charges must ~~shall~~ provide the following information. If any
9 of the following items do not apply to the applicant, the applicant must ~~shall~~ state the reason it
10 does not apply.

11 (a) The applicant's name and address.

12 (b) A statement describing how the noticing requirements have been complied with,
13 including a copy of the actual notice(s).

14 (c) The numbers of all Commission order(s) that:

15 1. Previously established customer rates for the applicant either in a rate case or a reverse
16 make-whole proceeding; and

17 2. Established AFPI charges for the applicant.

18 (d) The charge must ~~shall~~ be calculated for one equivalent residential connection (ERC) on
19 a monthly basis up to the time the utility reaches the designed capacity of the plant for which
20 the charge applies. The charges ~~shall~~ cease when the plant has reached its designed capacity or
21 if the plant is abandoned or retired. Further, the AFPI charge ceases if the Commission
22 subsequently approves a 100% used and useful for the associated plant.

23 (e) A statement explaining the basis for the requested charges and conditions.

24 (f) The dollar amount of the non-used and useful plant, ~~and the~~ accumulated depreciation,
25 contribution in aid of construction (CIAC), the accumulated amortization of CIAC, and the

1 methodology used to determine these amounts. The net of these ~~four~~ two amounts ~~must~~ shall
2 be considered the cost of qualifying assets. Separate balances for plant, ~~and for~~ accumulated
3 depreciation, CIAC, and accumulated amortization of CIAC ~~must~~ shall be reported for the
4 water treatment plant, wastewater treatment plant, water transmission and distribution system
5 and wastewater collection system.

6 (g) The plant capacity related to each of the systems in (f) above and the methodology
7 used to determine the amount.

8 (h) The number of future customers in number of ERCs related to the non-used and useful
9 plant by system.

10 (i) The amount of depreciation expense, CIAC amortization expense, and composite
11 depreciation rate related to the non-used and useful plant by system.

12 (j) The overall rate of return requested for the AFPI charge and the workpapers supporting
13 the calculation.

14 (k) The last authorized rate of return on equity and references to the docket number of the
15 last rate case and the resulting order.

16 (l) The state and federal income tax rates requested for calculating the AFPI charge.

17 (m) All other costs such as non-used and useful property taxes and operation and
18 maintenance expenses removed in the last rate case.

19 (n) The test year to be used in the calculation, the month that the utility expects the charge
20 to go into effect and the number of years the utility expects to collect the charge. Applicants
21 must ~~provide~~ a detailed explanation of why the number of years to collect the charge
22 represents a reasonable and prudent management decision in the construction of plant.

23 (o) The workpapers and calculations used to develop the proposed AFPI charge.

24 Commission Form PSC 1036 (06/26), entitled "Allowance for Funds Prudently Invested," ~~The~~
25 ~~utility can may obtain a diskette that~~ outlines the required calculations and is comprised of the

1 ~~following schedules to be used by calling or writing the Division of Accounting and Finance,~~
2 ~~(850) 413-6410. The required schedules that shall be submitted are “AFPI Filing Schedules;”~~
3 ~~Commission Form PSC/AFD 26 (11/93), incorporated by reference into this rule, and are as~~
4 ~~follows:~~

5 Schedule 1 – List of Information Imputed Into Calculation

6 Schedule 2 – Calculation of ~~Of~~ Carrying Costs Per ERC

7 Schedule 3 – Calculation of ~~Of~~ Carrying Costs Per ERC Per Year

8 Schedule 4 – Calculation of ~~Of~~ Carrying Costs Per ERC Per Month

9 PSC 1036 (06/26) is incorporated by reference and available at

10 <https://flrules.org/Gateway/reference.asp?No=Ref-19609> . ~~The form may be obtained from~~
11 ~~the Commission’s Division of Accounting and Finance,~~

12 ~~2540~~<https://flrules.org/Gateway/reference.asp?No=Ref-19609> ~~Shumard Oak Boulevard,~~

13 ~~Tallahassee, Florida 32399-0850.~~ All calculations and schedules must be provided in

14 Microsoft Excel format, with formulas intact and unlocked; must be provided via USB drive,

15 CD, DVD, or other media; and may not be submitted by e-mail. PSC 1036 (06/26) is also

16 available on the Commission website at www.floridapsc.com.

17 (p) The revised or original tariff sheets necessary to incorporate the AFPI charge into the
18 tariff.

19 (4) The beginning date for accruing the AFPI charge must ~~shall~~ agree with the month
20 following the end of the test year that was used to establish the amount of non-used and useful
21 plant. If any connections have been made between the beginning date and the effective date of
22 the charge, no AFPI will be collected from those connections.

23 (5) Unless the utility demonstrates that the 5-year period is inappropriate, it is prudent for
24 a utility to have an investment in future use plant for a period of no longer than 5 years beyond
25 the test year.

CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

1 (6) For utilities that have non-used and useful plant to be held for periods longer than what
2 is determined to be prudent, the AFPI charge will cease accruing charges and will remain
3 constant after the accrual period, established by the Commission, has expired. The utility can
4 continue to collect the constant charge until all ERCs projected in the calculation have been
5 added.

6 *Rulemaking Authority 350.127(2), 367.121 FS. Law Implemented 367.081, 367.121 FS.*

7 *History—New 11-30-93, Amended _____.*

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		Schedule 1
Utility Name:		
Docket No.:		
Allowance for Funds Prudently Invested		
Calculation of Carrying Costs for Each ERC		
Information Needed		
1.	Cost of Qualifying Assets	\$
	a) Non used and useful Plant	\$
	b) Non used and useful Accumulated Depreciation	\$
	c) Non used and useful CIAC	\$
	d) Non used and useful AA of CIAC	\$
2.	Capacity of Qualifying Assets	GPD
3.	Number of Future Customers	ERC
4.	Annual Net Depreciation Expense	\$
5.	Rate of Return	
6.	Weighted Cost of Equity	
7.	Federal Income Tax Rate	
8.	State Income Tax Rate	
9.	Annual Property Tax	\$
10.	Other Costs	\$
11.	Depreciation Rate of Assets	
12.	Test Year	

PSC 1036 (06/26) - Rule 25-30.434, F.A.C.

Utility Name: _____ **SCHEDULE 2**
 Docket No.: _____

Allowance for Funds Prudently Invested

Calculation of Carrying Costs for Each ERC:

Cost of Qualifying Assets:	\$	Annual Depreciation Expense:	\$
Divided By Future ERC:		Future ERC's:	
Cost/ERC:	\$	Annual Depr. Cost per ERC:	\$
Multiply By Rate of Return:			
Annual Return Per ERC:	\$	Annual Property Tax Expense:	\$
		Future ERC's:	
Annual Reduction in Return:	\$		
(Annual Depreciation Expense		Annual Prop. Tax per ERC:	\$
per ERC Times Rate of Return)			
Federal Tax Rate:	%	Weighted Cost of Equity:	%
Effective State Tax Rate:	%	Divided by Rate of Return:	%
Total Tax Rate:	%	% of Equity in Return:	
Effective Tax on Return:		Other Costs:	\$
(Equity % Times Tax Rate)		Future ERC's:	
Provision For Tax:		Cost per ERC:	\$
(Tax on Return/(1-Total Tax Rate))			

PSC 1036 (06/26) - Rule 25-30.434, F.A.C.

Schedule 4						
Utility Name:						
Docket No.:						
Allowance for Funds Prudently Invested						
Calculation of Carrying Cost Per ERC Per Month:						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

PSC 1036 (06/26) - Rule 25-30.434, F.A.C.

RULES TO BE REPEALED

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25-9.020 Front Cover.

~~The front cover shall identify the volume as the rate book or tariff filed by the particular utility with the Florida Public Service Commission governing the sale of the specific utility service provided.~~

Rulemaking Authority 350.127(2), 366.05(1), 367.121 FS. Law Implemented 366.05(1), 367.091 FS. History—New 1-8-75, Formerly 25-9.20. Repealed.

1 **25-9.060 Front Cover.**

2 ~~The front cover shall identify the volume as the rate book submitted by the particular~~
3 ~~utility with the Florida Public Service Commission governing the specific utility service~~
4 ~~provided.~~

5 *Rulemaking Authority 366.05(1) FS. Law Implemented 366.04(2)(b) FS. History—New 8-9-79,*
6 *Formerly 25-9.60. Repealed.*

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25-9.071 Back Cover.

~~Will be the back cover.~~

*Rulemaking Authority 366.05(1) FS. Law Implemented 366.04(2)(b) FS. History—New 8-9-79,
Formerly 25-9.71. Repealed.*

1 **25-30.010 Rules for General Application.**

2 ~~The rules hereinafter set forth are for general application and are subject to such changes~~
3 ~~and modifications, permitted by law, as the Commission from time to time may determine~~
4 ~~advisable. The rules are supplementary to the Water and Wastewater System Regulatory Law,~~
5 ~~Chapter 367, F.S.~~

6 *Rulemaking Authority 367.121 FS. Law Implemented 367.121 FS. History—New 2-3-70,*
7 *Amended 9-12-74, Formerly 25-10.01, 25-10.001, Amended 1-31-00, Repealed _____.*

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CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

SERCs FOR RULES TO BE AMENDED

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-

DATE: May 4, 2026

TO: Susan Sapoznikoff, Special Counsel, Office of the General Counsel

FROM: Sevini K. Guffey, Public Utility Analyst IV, Division of Economics *SKG*

RE: Statement of Estimated Regulatory Costs (SERC)
Docket No. 20260040-OT. Proposed amendment of Rules 25-6.003, Florida Administrative Code (F.A.C.), Definitions; 25-30.255, F.A.C., Measurement of Service for Water Utilities; and 25-30.434, F.A.C., Application for Allowance for Funds Prudently Invested (AFPI) Charges; and proposed repeal of Rules 25-9.020, F.A.C., Front Cover; 25-9.060, F.A.C., Front Cover; 25-9.071, F.A.C., Back Cover; and 25-30.010, F.A.C., Rules for General Application.

The purpose of this rulemaking is to propose updates and clarifications to Rules 25-6.003, Florida Administrative Code (F.A.C.), Definitions; 25-30.255, F.A.C., Measurement of Service for Water Utilities; and 25-30.434, F.A.C., Application for Allowance for Funds Prudently Invested (AFPI) Charges; and propose repeal of Rules 25-9.020, F.A.C., Front Cover; 25-9.060, F.A.C., Front Cover; 25-9.071, F.A.C., Back Cover; and 25-30.010, F.A.C., Rules for General Application. The proposed rulemaking is necessitated by the statutory rule review mandated by Section 120.5435, Florida Statutes (F.S.).

Paragraph (1) of Rule 25-30.003, F.A.C., Definitions of general applicability is proposed to be deleted because the 7th edition published in December 2000, Authoritative Dictionary of The Institute of Electrical and Electronics Engineers (IEEE) Standard Terms, as referenced in the rule, is obsolete. Also, the National Electrical Safety Code (NESC) which is incorporated by reference later in Rule 25-6, F.A.C., includes definitions of general applicability. Deleting an obsolete reference in the rule will minimize confusion for all stakeholders and there are no costs associated with this rule for any stakeholder.

Paragraph (3) in Rule 25-30.255, F.A.C., is proposed to be deleted because it requires water utilities to use meters which conform to specific standards. Rules 25-30.261, F.A.C., through 25-30.267, F.A.C., encompass the necessary requirements regarding water utility meter readings and testing to ensure accurate measurement of service regardless of the meter type used. Therefore, Rule 25-30.255(3), F.A.C. is obsolete and there are no costs for the stakeholders associated with the repeal of paragraph (3) in Rule 25-30.255, F.A.C.

Rule 25-30.434, F.A.C., is proposed to be amended to update and clarify the rule and repeal unnecessary rule language to comply with the statutory rule review mandated by Section

120.5435, F.S. The proposed revised rule clarifies the calculation for net CIAC (contribution-in-aid-of-construction and accumulated amortization of CIAC). The proposed revised rule also specify additional language indicating that if the plant is abandoned and/or retired, then the AFPI charges must cease. The proposed rule language indicates the location of the website address for the Commission Form entitled AFPI, which outlines the calculation and schedules used to develop the proposed AFPI charge. Finally, new language is proposed to state that all calculations and schedules must be provided electronically to the Commission.

The proposed amended rules would not result in negative fiscal impacts to the electric investor owned utilities, electric cooperatives, municipal utilities, water, and wastewater utilities, as discussed in the attached SERC. No regulatory alternatives were submitted pursuant to Section 120.541(1)(a), F.S. by any affected entity. None of the impacts/cost criteria established in Section 120.541(2)(a)-(e), F.S., will be exceeded as a result of the proposed revisions to the rules.

Additionally, staff is proposing the repeal of Rules 25-9.020, F.A.C., 25-9.060, F.A.C., 25-9.071, F.A.C., and 25-30.010, F.A.C., as they are obsolete and the SERCs conclude that the repeal will not result in negative economic impacts.

cc: SERC file

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-6.003, F.A.C., Definitions

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E. below for definition of small business.)	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If the answer to Question 1 is "yes," see comments in Section E.	
2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:	
(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]	
Economic growth	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]	
Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-6.003(1), F.A.C., Definitions of general applicability is proposed to be deleted because the Authoritative Dictionary of The Institute of Electrical and Electronics Engineers (IEEE) Standard Terms, as referenced in the rule, is obsolete. Also, the National Electrical Safety Code (NESC) which is incorporated by reference later in Rule 25-6, F.A.C., includes definitions of general applicability. Deleting an obsolete reference in the rule will minimize confusion for all stakeholders and there are no costs associated with this rule for any stakeholder.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

The number of entities required to comply with Rule 25-6.003, F.A.C., are four (4) investor owned electric utilities, 18 electric cooperatives, and 34 municipal electric utilities.

(2) A general description of the types of individuals likely to be affected by the rule.

NA

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

- No adverse impact on small business.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) A "Small City" is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A "small county" is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

- No impact on small cities or small counties.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing requiring education, training, or testing.

Discussion and Analysis of Market Impacts: Paragraph (1) of Rule 25-6.003, F.A.C., is proposed to be deleted because it is obsolete and no costs are associated with this rule revision. Deleting the obsolete reference in the rule will minimize confusion for the stakeholders; utilities, ratepayers, Commission staff, small businesses, state and local government entities, and other parties directly affected.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

- None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.255, F.A.C., Measurement of Service for Water Utilities.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes No

If the answer to Question 1 is "yes," see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes No

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule?

[120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.255(3), F.A.C., is proposed to be deleted because it requires water utilities to use meters which conform to specific standards. Rules 25-30.261, F.A.C., through 25-30.267, F.A.C., encompass the necessary requirements regarding water utility meter readings and testing to ensure accurate measurement of service regardless of the meter type used. Therefore, Rule 25-30.255(3), F.A.C. is not needed and there are no costs for the stakeholders associated with the repeal of paragraph (3) in Rule 25-30.255, F.A.C.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 123 water utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

None.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

None. To be done with the current workload and existing staff.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

None.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

- No adverse impact on small business.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) A "Small City" is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A "small county" is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

- No impact on small cities or small counties.

- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing required education, training, or testing.

Discussion and Analysis of Market Impacts: None.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

- None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.434, F.A.C., Application for Allowance for Funds Prudently Invested (AFPI)
Charges.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes

No

If the answer to Question 1 is "yes," see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes

No

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth Yes No

Private-sector job creation or employment Yes No

Private-sector investment Yes No

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets) Yes No

Productivity Yes No

Innovation Yes No

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: Rule 25-30.434, F.A.C., is proposed to be amended to update and clarify the rule and repeal unnecessary rule language to comply with the statutory rule review mandated by Section 120.5435, F.S. The proposed revised rule clarifies the calculation for net CIAC (contribution-in-aid-of-construction and accumulated amortization of CIAC). The proposed revised rule also specify additional language indicating that if the plant is abandoned and/or retired, then the AFPI charges must cease. Finally, the revised rule indicates the location of the website address for the Commission Form entitled AFPI, which outlines the calculation and schedules used to develop the proposed AFPI charge.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Number of entities likely to be required to comply with this rule are 123 water utilities and 86 wastewater utilities regulated by the PSC.

(2) A general description of the types of individuals likely to be affected by the rule.

Individuals affected would be the ratepayers of the water and wastewater utilities; greater clarity of the proposed revised rule would allow the utilities' future customers to not over collect AFPI charges.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

None.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

- No impact on small cities or small counties.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing requiring education, training, or testing.

Discussion and Analysis of Market Impacts: Greater clarity of the proposed revised rule should result in reducing utilities’ time to appropriately to interpret and apply the rule more effectively and allow the utility’s future customers to not overcollect AFPI charges.

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

- None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

SERCs FOR RULES TO BE REPEALED

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-9.020 Front Cover, F.A.C.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E. below for definition of small business.)	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If the answer to Question 1 is "yes," see comments in Section E.	
2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:	
(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]	
Economic growth	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]	
Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: The recommended repeal of Rule 25-9.020, F.A.C., Front Cover, will have no economic impact.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

None; the rule is recommended to be repealed. See Section (3) above.

(2) A general description of the types of individuals likely to be affected by the rule.

None; the rule is recommended to be repealed. See Section (3) above.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

None. To be done with the current workload and existing staff.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

None.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. “Transactional costs” may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) “Small business” is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing required education, training, or testing.

Discussion and Analysis of Market Impacts: NA

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

No regulatory alternatives were submitted.

A regulatory alternative was received from

Adopted in its entirety.

Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-9.060 Front Cover, F.A.C.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.] (See Section E. below for definition of small business.)	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If the answer to Question 1 is "yes," see comments in Section E.	
2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

If the answer to either question above is "yes," a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:	
(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]	
Economic growth	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]	
Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: The recommended repeal of Rule 25-9.060, F.A.C., Front Cover, will have no economic impact.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

None; the rule is recommended to be repealed. See Section (3) above.

(2) A general description of the types of individuals likely to be affected by the rule.

None; the rule is recommended to be repealed. See Section (3) above.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

None. To be done with the current workload and existing staff.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

None.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. “Transactional costs” may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) “Small business” is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing required education, training, or testing.

Discussion and Analysis of Market Impacts: NA

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-9.071 Back Cover, F.A.C.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes No

If the answer to Question 1 is “yes,” see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes No

If the answer to either question above is “yes,” a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: The recommended repeal of Rule 25-9.071, F.A.C., Back Cover, will have no economic impact.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

None; the rule is recommended to be repealed. See Section (3) above.

(2) A general description of the types of individuals likely to be affected by the rule.

None; the rule is recommended to be repealed. See Section (3) above.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. “Transactional costs” may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) “Small business” is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing required education, training, or testing.

Discussion and Analysis of Market Impacts: NA

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

No regulatory alternatives were submitted.

A regulatory alternative was received from

Adopted in its entirety.

Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Florida Public Service Commission
STATEMENT OF ESTIMATED REGULATORY COSTS
Rule 25-30.010, F.A.C., Rules for General Application.

1. Will the proposed rule have an adverse impact on small business? [120.541(1)(b), F.S.]
(See Section E. below for definition of small business.)

Yes No

If the answer to Question 1 is “yes,” see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes No

If the answer to either question above is “yes,” a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

(1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)1, F.S.]

Economic growth	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector job creation or employment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Private-sector investment	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule? [120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Productivity	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Innovation	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes No

Economic Analysis: The recommended repeal of Rule 25-30.010, F.A.C., Rules for General Application, will have no economic impact.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

None; the rule is recommended to be repealed. See Section (3) above.

(2) A general description of the types of individuals likely to be affected by the rule.

None; the rule is recommended to be repealed. See Section (3) above.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the agency to implement and enforce the rule.

- None. To be done with the current workload and existing staff.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the agency.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. “Transactional costs” may include the following: filing fees; expenses to obtain a license; necessary equipment; installation, utilities for, and maintenance of necessary equipment; necessary operations or procedures; accounting, financial, information management, and other administrative processes; labor, based on relevant wages, salaries, and benefits; materials and supplies; capital expenditures, including financing costs; professional and technical services, including contracted services necessary to implement and maintain compliance; monitoring and reporting; qualifying and recurring education, training, and testing; travel; insurance and surety requirements; a fair and reasonable allocation of administrative costs and other overhead; reduced sales or other revenue; or other items suggested by the rules ombudsman in the Executive Office of the Governor or by any interested person, business organization, or business representative. [120.541(2)(d), F.S.]

None. The rule will only affect the agency.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, small counties, and small cities: [120.541(2)(e), F.S.]

(1) “Small business” is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

No adverse impact on small business.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) A “Small City” is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A “small county” is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

No impact on small cities or small counties.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

F. In evaluating the impacts described in paragraphs A and E, include a discussion, if applicable, of the market impacts likely to result from compliance with the proposed rule, including: [120.541(2)(f), F.S.]

1. Changes to customer charges for goods or services.
2. Changes to the market value of goods and services produced, provided, or sold.
3. Changes to costs resulting from the purchase of substitute or alternative goods or services.
4. The reasonable value of time to be spent by owners, officers, operators, and managers to understand and comply with the proposed rule, including, but not limited to, time to be spent completing required education, training, or testing.

Discussion and Analysis of Market Impacts: NA

G. Any additional information that the agency determines may be useful. [120.541(2)(g), F.S.]

None.

Additional Information:

H. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(h), F.S.]

- No regulatory alternatives were submitted.
- A regulatory alternative was received from
- Adopted in its entirety.
- Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.

Item 4

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Office of the General Counsel (Sapoznikoff) *SMC*
Office of Consumer Affairs (Kendrick) *AK*

RE: Docket No. 20260072-OT – Petition to initiate rulemaking to require all Florida-licensed utilities to provide immediate live-agent access in automated telephone and artificial intelligence customer service systems, by Kerry Lutz.

AGENDA: 06/02/26 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Clark

CRITICAL DATES: 06/05/26 (Statutory deadline pursuant to Section 120.54(7), F.S., waived until this date)

SPECIAL INSTRUCTIONS: None

Case Background

On April 27, 2026, Kerry Lutz (Petitioner) filed a Petition for Rulemaking to Require All Florida-Licensed Utilities to Provide Immediate Live-Agent Access in Automated Telephone and Artificial Intelligence Customer Service Systems (Petition). The Petition requests that the Commission initiate rulemaking pursuant to Section 120.54(7), Florida Statutes (F.S.), to adopt a new rule. Petitioner requests that this new rule require “all utilities licensed to do business in the State of Florida — including electric, gas, water, wastewater, and telecommunications utilities — to provide an immediate live-agent bypass option in all automated telephone menus and artificial intelligence customer-service systems.”

Pursuant to Section 120.54(7)(a), F.S., any person regulated by an agency or having a substantial interest in an agency rule may petition an agency to adopt, amend, or repeal a rule. In accordance with Section 120.54(7)(a), F.S., Petitioner alleges he has a substantial interest in an agency rule and the Petition specifies the proposed rule and action requested.

Procedural Matters

Section 120.54(7)(a), F.S., requires that within 30 calendar days of the filing of a petition to initiate rulemaking, the Commission must either initiate rulemaking or deny the petition with a written statement of its reasons for the denial. However, Petitioner agreed to waive the 30 day deadline in Section 120.54(7)(a), F.S., until June 5, 2026, and allow the Commission to consider the Petition at the June 2, 2026, Agenda Conference.

This recommendation addresses whether the Commission should initiate rulemaking or deny the Petition. This recommendation does not address the merits of the Petitioner's suggested rule, or whether it satisfies the requirements of Section 120.52 and 120.54, F.S. The Commission has jurisdiction pursuant to Section 120.54, 350.127(2), 366.05(1), and 367.121, F.S.

Discussion of Issues

Issue 1: Should the Commission grant the “Petition for Rulemaking to Require All Florida-Licensed Utilities to Provide Immediate Live-Agent Access in Automated Telephone and Artificial Intelligence Customer Service Systems” (Petition)?

Recommendation: No. The Commission should deny the Petition. (Sapoznikoff, Kendrick)

Staff Analysis: Below is a discussion of the rule language requested by the Petitioner, his stated reasons for filing the Petition, and staff’s analysis.

The Requested Rule Language

The Petition requests that the Commission adopt the following rule language:

Any utility regulated by or licensed through the Florida Public Service Commission that utilizes an automated telephone menu system, interactive voice response system, or artificial intelligence assistant for customer service purposes shall:

(a) Provide a clear, audible, and conspicuous option for the caller to be transferred immediately to a live human representative. This option must be presented within the first sixty (60) seconds of any automated interaction;

(b) Honor the selection of the digit ‘0’ or the spoken word ‘agent,’ ‘representative,’ or ‘human’ at any point during the automated interaction as a command to route the caller to a live-agent queue, without further automated interrogation;

(c) Not require a customer to complete automated screening, disclose account credentials, or submit to biometric or AI-driven identification as a precondition to live-agent access;

(d) Post estimated live-agent wait times within thirty (30) seconds of queue placement; and

(e) Maintain records of monthly average live-agent wait times and call abandonment rates, which shall be reported to the Commission quarterly and made available for public inspection.

The Petition

Petitioner states that he is a Florida resident and ratepayer of Commission-regulated utilities. He alleges:

The proliferation of automated telephone trees and AI-gated customer service systems – deployed by virtually every utility licensed to operate in Florida – has created systemic barriers that prevent ratepayers from: (a) reporting safety emergencies in real time; (b) disputing erroneous billing charges; (c) requesting

service disconnection deferrals under hardship; and (d) accessing basic account services without surrendering personal data to third-party artificial intelligence platforms. These barriers constitute a failure of adequate and efficient service within the meaning of Chapters 364, 366, and 367, Florida Statutes.

The Petition states that the Commission has the “authority under Sections 364.01, 366.04, 366.05, 367.111, and related provisions of Florida law to adopt and enforce customer service quality standards,” and that the draft rule he provides in his petition “falls squarely within the Commission’s existing jurisdiction and requires no additional legislative authorization.” In support of his petition, he states that the Commission has a statutory mandate under Chapters 364, 366, and 367, Florida Statutes, to ensure that the services Florida utilities supply are provided “adequately” and “efficiently” and that “[s]ervice that is inaccessible by human telephone contact during an emergency is, by definition, neither adequate nor efficient.”

Petitioner claims that current automated systems are “frequently engineered to discourage live-agent contact rather than facilitate it, creating ‘infinite loop’ architectures that exhaust callers.” He states that “[i]ndustry evidence and ratepayer experience confirm that current automated systems are architecturally optimized to minimize live-agent call volume – a cost-reduction strategy implemented at the direct expense of service quality and customer protection.” He alleges that “[s]enior citizens, persons with disabilities, non-English-speaking ratepayers, and those in crisis situations are systemically disadvantaged by AI-generated service architectures.”

The Petition also states that “AI-driven customer service systems collect, process, and retain biometric voice data, call metadata, and behavioral patterns.” He asserts that “[c]onditioning live-agent access on submission to such systems imposes an uncompensated data-extraction toll on ratepayers as a condition of receiving services they have already paid for” and that “[t]his practice implicates the Florida Digital Bill of Rights.”

Petitioner asserts that the Commission’s existing rules do not address the concerns set forth in the Petition. He states that the “regulatory gap has grown significantly as utilities have accelerated AI-driven automation of customer contact,” and that “[r]ulemaking is the appropriate vehicle to close the gap prospectively and uniformly across all regulated entities.”

Analysis:

Staff recommends that the Commission deny the Petition for the following reasons. First, staff notes the Petition alleges that under Chapter 364, F.S., the Commission has the authority to regulate telecommunications companies in the manner requested in the Petition. This is incorrect. Chapter 364, F.S., does not grant the Commission the authority to regulate the quality of service of telecommunications companies. Thus, the Commission cannot adopt a rule, such as is requested in the Petition, with regard to telecommunications companies.

As for Commission-regulated utilities, there is significant variation in the size, staffing, and structure not only between water, wastewater, gas, and electric companies, but also within each industry. Accordingly, the Commission historically allows its regulated utilities to determine how to manage their day-to-day business, including customer service, because in many cases a universal rule is impracticable. The Commission typically does not regulate utilities on the granular level requested by the Petition, unless there is a demonstrated reason to do so.

The Commission already has rules requiring all Commission-regulated utilities to have a system for receiving and promptly responding to emergency calls on a 24-hour per day basis. From staff's experience and knowledge with customer complaints, there does not appear to be any broad-based issue with customers being unable to reach their utilities to (a) report safety emergencies in real time; (b) dispute erroneous billing charges; (c) request service disconnection deferrals under hardship; or (d) access basic account services. Nor has there been any issue with customers voicing concern over "surrendering personal data to third-party artificial intelligence platforms." If those are issues, customers have not been addressing them to the Commission. Many of these activities can be adequately handled without use of a live agent and many customers may prefer that mode of interaction. That is not to say that the Commission does not receive complaints from utility customers regarding billing charges, service disconnection issues, or other service complaints. In those instances, however, the issue is with the customers not liking the outcome of the interaction, not an allegation that they were unable to sufficiently interact with the utility. Accordingly, staff does not believe it is necessary for the Commission to initiate rulemaking at this time.

Alternatively, staff notes that were the Commission to grant the Petition, that decision does not mean that the Commission has proposed, or would be required to propose, the adoption of any rule. Rather, a decision to grant the Petition would merely begin the rulemaking process. Staff would return at a later date with a recommendation for the Commission on whether to propose a new rule.

Conclusion

For the reasons stated above, the Commission should deny the "Petition for Rulemaking to Require All Florida-Licensed Utilities to Provide Immediate Live-Agent Access in Automated Telephone and Artificial Intelligence Customer Service Systems."

Issue 2: Should this docket be closed?

Recommendation: Yes. If the Commission approves staff's recommendation in Issue 1, this docket should be closed. (Sapoznikoff)

Staff Analysis: If the Commission approves staff's recommendation in Issue 1, this docket should be closed.

Item 5

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-

DATE: ~~April 23~~ May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Office of the General Counsel (Crawford) *JSC*
Division of Engineering (Brown) *TB*
Office of Consumer Assistance (Plescow) *AK*

RE: Docket No. 20260014-EI – Complaint by Juan Merchan and Gonzalo Lever against Tampa Electric Company.

AGENDA: 05/0506/02/26 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Payne

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On May 13, 2024, Mr. Juan Merchan (Mr. Merchan) filed Informal Complaint No. 1444515E, challenging Tampa Electric Company's (TECO) relocation of a pole and guy wires in front of his property. The pole and guy wires complained of were formerly in front of an adjacent property. TECO reconfigured (~~but did not move~~) and moved the pole, and relocated the guy wires to accommodate access to a new driveway at the adjacent property. Mr. Merchan alleged that TECO's relocation of the pole and guy wires was an unreasonable and discriminatory exercise of utility discretion. Mr. Merchan further alleged that the relocation inhibited his ingress and egress from his own property, and gave undue preference to the adjacent property from which the guy wires were relocated.

After a thorough review, including a site visit by Commission engineering staff, the Office of Consumer Assistance (OCA) staff informed Mr. Merchan that the relocated pole and guy wires were properly in TECO's public right of way (ROW). Mr. Merchan expressed disagreement with this conclusion and the matter was referred to the Commission's Process Review Team (PRT) for review, in accordance with Rule 25-22.032, Florida Administrative Code (F.A.C.). On November 5, 2025, Commission staff advised Mr. Merchan that his informal complaint had been reviewed by the PRT, and it appeared that TECO did not violate Commission statutes, rules, or orders in its handling of this matter. Staff advised Mr. Merchan that if he disagreed with the complaint conclusion, he could file a petition for initiation of formal proceedings for relief against TECO.

On January 28, 2026, Mr. Merchan and Mr. Gonzalo Lever¹ (Petitioners) filed a formal complaint against TECO alleging the same material facts as contained in Mr. Merchan's informal complaint. The Petitioners' formal complaint again alleges that TECO's relocation of guy wires from an adjacent property to the front of Petitioners' property was an unreasonable and discriminatory exercise of utility discretion. Petitioners maintained that the relocation of the pole and guy wires presents undue preference to the neighboring property. On March 11, 2026, Petitioners filed an amended formal complaint (Amended Complaint) restating and clarifying the issues of material fact and legal basis for their claims.

On April 2, 2026, TECO filed a response to the Petitioners' formal complaint (Response). TECO states that the Amended Complaint does not allege any facts that would support finding that TECO violated its tariff or any applicable statutes, rules, or orders of the Commission. TECO further denied any such violations of applicable statutes, rules, or orders of the Commission.

This recommendation addresses the appropriate disposition of the Petitioners' complaint against TECO. The Commission has jurisdiction over this matter pursuant to Section 366.04, Florida Statutes (F.S.).

¹ Mr. Gonzalo Lever is the TECO customer of record at the Petitioners' property. While the informal complaint was pursued by Mr Merchan, Mr. Lever was included in correspondence throughout the informal complaint process and has co-signed onto the formal complaint that initiated this docket.

Discussion of Issues

Issue 1: What is the appropriate resolution of the Petitioners' complaint?

Recommendation: Staff recommends that the Petitioners' formal complaint be denied. It does not appear that TECO violated its Commission-approved tariff or any statutes, rules, or orders of the Commission in its relocation of the pole and guy wires within its right of way. (Crawford)

Staff Analysis:

Legal Standard

Pursuant to Rule 25-22.036(2), F.A.C., a complaint is appropriate when a person complains of an act or omission by a person subject to Commission jurisdiction that affects the complainant's substantial interests and that is in violation of a statute enforced by the Commission, or of any Commission rule or order.

Formal Complaint

In their complaint, the Petitioners assert that TECO's exercise of discretion in relocating the pole and guy wires was unreasonable and discriminatory in violation of Section 366.03, F.S.² The Petitioners further allege that TECO violated Tariff Sheet No. 5.090, Section 2.3, because the relocation of the pole and guy wires presents undue preference for the adjacent property owner from which the wires were relocated.³

The Petitioners state that TECO presented three options for resolution of this matter:

1. Maintain the current pole and line relocation;
2. Replace the existing pole and wires with a self-supporting pole⁴ in TECO's ROW at the Petitioners' expense; or
3. Replace the existing pole with a self-supporting pole at TECO's expense in an easement to be provided by Mr. Lever.

The Petitioners rejected all three options. The Petitioners ask that the Commission direct TECO to reconfigure the pole and wires in a non-obstructive position at TECO's sole expense without imposing any new easement or costs on the Petitioners.

² Section 366.03, F.S., provides that a public utility shall furnish reasonably sufficient, adequate, and efficient service upon terms as required by the Commission, and no public utility shall make or give any undue or unreasonable preference or advantage to any person or locality, or subject the same to any undue or unreasonable prejudice or disadvantage in any respect.

³ TECO Tariff Sheet No. 5.090, Section 2.3, addresses the placement of utility equipment on private property outside of a public ROW.

⁴ A self-supporting pole is designed to stand independently, resisting horizontal loads such as wind or tension, without requiring guy wires or external anchors.

Response

In its Response, TECO denies that it violated its tariff or any statutes, rules, or Commission orders. TECO states that it reconfigured the pole and relocated the guy wires to provide access to a new residential driveway adjacent to the Petitioners' property, and that TECO reviewed its options and found the installation in front of the Petitioners' property was the most efficient and cost-effective solution. TECO asserts that the relocation was consistent with company- and industry-standard construction and engineering practices. TECO confirms that it attempted to work with Petitioners to resolve this matter but that the parties failed to come to an agreement.

TECO denies that it acted with undue prejudice in violation of Section 366.03, F.S. TECO states that Section 366.03, F.S., applies to utility rates, not the location of utility facilities. TECO states that even if Section 366.03, F.S., were to apply, TECO's actions did not constitute undue preference or impose undue prejudice. TECO further denies that Section 2.3 of Tariff Sheet No. 5.090 is applicable because Section 2.3 applies to facilities on property not designated as a public ROW while the pole and wires in this case are in a public ROW.

Analysis

Based on the information provided, it does not appear that TECO violated a statute, rule, order, or applicable provision of TECO's Commission-approved tariff. TECO properly reconfigured and relocated its transmission pole and ~~relocated~~ its guy wires within its ROW. A staff site inspection confirmed that the reconfigured and relocated pole and ~~relocated~~ guy wires do not inhibit ingress or egress from the Petitioners' property and appear to meet all applicable safety standards.

Section 366.03, F.S., states that "[n]o public utility shall make or give any undue or unreasonable preference or advantage to any person or locality, or subject the same to any undue or unreasonable prejudice or disadvantage in any respect." Staff does not believe that TECO acted with undue or unreasonable preference in this case, nor that TECO acted with undue or unreasonable prejudice towards the Petitioners. TECO relocated its pole and guy wires in order to accommodate construction of a driveway on the adjacent property, which is not unreasonable. The Petitioners claim that TECO's proposal of relocating the pole and guy wires at the Petitioners' expense, or requiring the Petitioners to grant an easement for a new pole, was unreasonable. However, staff does not believe it is unreasonable for TECO to have a policy of requiring customers to pay for equipment relocation for aesthetic purposes. Furthermore, staff does not believe that the relocation of the pole and guy wires in front of the Petitioners' property constitutes undue preference for the adjacent property or undue prejudice against the Petitioners.

Tariff Sheet No. 5.090, Section 2.3, addresses the placement of utility equipment on private property outside of a public ROW. This is inapplicable to the complaint because the relocation of the pole and guy wires complained of are within TECO's public ROW. Therefore, staff does not believe that TECO violated its Commission-approved tariff in its handling of this matter. Staff does not believe that TECO's relocation of the pole and guy wires violated a statute, rule, order, or applicable provision of TECO's Commission-approved tariff, and that the complaint should therefore be denied.

Conclusion

Staff recommends that the Petitioners' formal complaint be denied. It does not appear that TECO violated its Commission-approved tariff or any statutes, rules, or orders of the Commission in its relocation of its pole and guy wires within its ROW.

Issue 2: Should this docket be closed?

Recommendation: 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, this docket should be closed upon the issuance of a consummating order. (Crawford)

Staff Analysis: 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, this docket should be closed upon the issuance of a consummating order.

Item 6

FILED 5/20/2026
 DOCUMENT NO. 03023-2026
 FPSC - COMMISSION CLERK

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Accounting and Finance (Souchik, D. Buys) *MC*
 Division of Economics (Hampson, P. Kelley) *ED*
 Office of the General Counsel (M. Thompson) *JSC*

RE: Docket No. 20260044-EI – Petition for limited proceeding to approve rate adjustments associated with the One Big Beautiful Bill, by Duke Energy Florida, LLC.

AGENDA: 06/02/26 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Ortega

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On March 24, 2026, Duke Energy Florida, LLC (DEF) filed a petition consistent with Rule 28-106.201, Florida Administration Code (F.A.C.), for a limited proceeding to approve base rate adjustments resulting from federal income tax law changes associated with the One Big Beautiful Bill Act (OBBBA). This filing was made in accordance with its 2024 Settlement Agreement (2024 Settlement) approved by Order No. PSC-2024-0472-AS-EI.¹

No other party has intervened in this docket as of May 20, 2026.

¹ Order No. PSC-2024-0472-AS-EI, issued November 12, 2024, in Docket No. 20240025-EI, *In re: Petition for rate increase by Duke Energy Florida, LLC.*

Docket No. 20260044-EI

Date: May 20, 2026

The Commission has jurisdiction over this matter pursuant to Sections 120.57, 366.076(1) and 366.06(3), Florida Statutes.

Discussion of Issues

Issue 1: Should the Commission approve DEF's calculations of the base rate revenue requirement impact of federal income tax law changes enacted through the One Big Beautiful Bill Act?

Recommendation: Yes. The Commission should approve DEF's calculations of the base rate revenue impacts from the OBBBA. The base rate revenue impacts are a net decrease of \$2,788 for the 2025 tax year, and an increase of \$338,970 for the 2026 tax year. (Souchik)

Staff Analysis: The 2024 Settlement acknowledged that income tax amendments can take many forms which may include changes to tax rates, changes to deductibility of certain costs, and changes to the timing of deductibility of certain costs.² Paragraph 19(b) of the 2024 Settlement describes that if tax reform is enacted during the settlement term, DEF will quantify the impact of tax reform in the year which the tax reform is effective. Paragraph 19(b) in relevant part states:

If Tax Reform is enacted during the Term, DEF will quantify the impact of Tax Reform on its Florida Jurisdictional base revenue requirement as projected in DEF's forecasted earnings surveillance report for the calendar year that includes the period in which Tax Reform is effective. If Tax Reform is enacted effective for the tax years 2025 or 2026, the impacts of the Tax Reform on base revenue requirements, primarily driven by an income tax rate increase/decrease, will be adjusted for retail customers within the later of 180 days of when the Tax Reform becomes law or the effective date of the law, through a prospective adjustment to base rates upon a thorough review of the effects of the tax reform on base revenue requirements.³

The OBBBA was signed into law on July 4, 2025, and made changes to the tax treatment relating to (1) the expensing of domestic research and experimental (R&E) costs, (2) the research and development (R&D) tax credit, and (3) the expensing of employer-provided meals.⁴

Domestic R&E Expenditures

Domestic R&E expenses are costs incurred in connection with the development or improvement of products, processes or technologies. Prior to the OBBBA, domestic R&E expenses were amortized over a 5-year period. The OBBBA amended Internal Revenue Code (IRC) Section 174(a) to allow for full expensing of domestic R&E expenditures paid in taxable years beginning after December 31, 2024.

In response to staff's first data request, DEF explained its total income tax expense is not impacted, because prior to enactment of the OBBBA, the tax benefit associated with these book expenses was recorded as a reduction to deferred income tax expense. Under the OBBBA, the tax benefit is recorded to current income tax expense. Accordingly, while the characterization of

² *Id.*

³ *Id.*

⁴ One Big Beautiful Bill Act, H.R.1, 119th Congress (2025-2026). <https://www.congress.gov/bill/119th-congress/house-bill/1/text>

the tax benefit changed from deferred to current income tax expense, there is no change to DEF's total 2025 income tax expense. An impact of expensing of domestic R&E expenditures for tax purposes on DEF's books and records is a change to the Accumulated Deferred Income Tax (ADIT) balance included in the capital structure. The tax law change increased DEF's 2025 13-month average ADIT balance by \$1,079,112, which reduced the 2025 revenue requirement by \$78,085. DEF's calculation is summarized in Table 1-1.

Table 1-1
Full Expensing of Domestic R&E Expenditures (2025 Tax Year)

Capitalized Section 174(e) R&E Expenditures	\$9,000,000
First Year Amortization	(900,000)
Increase in Timing Differences	\$8,100,000
13-month Average Increase in Timing Differences	4,257,692
Statutory Federal and State Rate (combined)	<u>25.345%</u>
Increase in Net Deferred Tax Liability	\$1,079,112
Jurisdictional Separation Factors	88.94%
Increase in Net Deferred Tax Liability	\$959,806
Mid-point WACC (Grossed up for Tax)	<u>8.14%</u>
Decrease in 2025 Revenue Requirement*	(\$78,085)

Source: Document No. 07149-2026, Attachment 1

*May not sum due to rounding.

R&D Tax Credit

The OBBBA modified IRC Sections 41(d)(1)(A) and 280(c)(1) to reduce the R&D tax credit available to DEF for taxable years beginning after December 31, 2024. The IRC Section 41 R&D Tax Credit is a federal incentive that provides a dollar-for-dollar reduction in tax liability for businesses that perform qualified research activities in the United States. IRC Section 280(c) is a coordination provision that prevents a “double benefit” by requiring taxpayers to choose between claiming the full credit and a full deduction for the same expenses. The reduced tax credit increased DEF's 2025 income tax expense by \$63,035, which increased the 2025 revenue requirement by \$75,297. DEF's calculation is summarized in Table 1-2.

Table 1-2
Reduced R&D Tax Credits (2025 Tax Year)

R&D Tax Credit	\$300,168
Percent Reduction in R&D Tax Credit	21%
Reduced R&D Tax Credit	\$63,035
Jurisdictional Separation Factor	88.94%
Retail Reduced Tax Credit	\$56,066
Net Operating Income Multiplier	<u>1.343</u>
Increase in 2025 Revenue Requirements*	\$75,297

Source: Document No. 07149-2026, Attachment 1.

*May not sum due to rounding.

The net base rate revenue requirement for the 2025 tax year is a decrease of \$2,788 (\$78,085 - \$75,297). In its response to staff's first data request, DEF stated that it does not agree that the net decrease of \$2,788 should be netted against the requested increase of \$338,970 for the 2026 tax year as each adjustment is associated with a different effective year and is evaluated independently. In support of its position DEF provided the following explanation:

The language in Paragraph 19(b) of the 2024 Settlement Agreement specifies that each adjustment is considered according to its effective year. Specifically, Paragraph 19(b) provides, in relevant part, that "If Tax Reform is enacted during the Term, DEF will quantify the impact of the Tax Reform on its Florida Jurisdictional base revenue requirement as projected in DEF's forecasted earnings surveillance report for the calendar year that includes the period in which Tax Reform is effective."

The \$2,788 decrease shown on line 23 reflects the net impact of tax provisions that take effect in 2025. This decrease is too insignificant to have an impact on customer rates and, as a result, did not warrant a rate adjustment for that year.

In contrast, the \$338,970 increase on line 35 pertains to a separate provision that becomes effective in 2026. This increase is substantial enough to require a 2026 rate adjustment.

DEF explained that for the 2025 tax year, the \$2,788 net decrease does not have a measurable impact on customer rates and does not warrant a base rate adjustment for 2025.⁵

Elimination of Meal Expenses

Prior to the OBBBA, IRC Section 162, defined eligible meal expenses as meals that are "ordinary and necessary" for carrying on a trade or business and were subject to a 50 percent deduction (i.e., only half of the total meal expense amount was deductible).⁶ The OBBBA modified IRC Section 274(o) to eliminate the income tax deduction for employer-provided meals as defined in IRC Section 162 for tax years beginning after December 31, 2025.

DEF estimated the amount of the eligible meal expense in 2026 affected by the change of IRC 274(o) is \$1.17 million. The \$1.17 million amount represents 50 percent of the actual amount DEF forecasted to spend on meals included in total O&M expense in its 2026 Forecasted Earnings Surveillance Report. DEF explained the types of meal expenses included in the \$1.17 million are associated with employee travel, external conferences and meetings, company sponsored events, and storm and power outage restoration activities due to thunderstorms or other outage events not associated with named storms.⁷

The reduced income tax deduction increased DEF's 2026 income tax expense by \$296,537, which equates to a revenue requirement increase of \$338,970 for 2026. DEF's calculation is summarized in Table 1-3.

⁵ Document No. 07149-2026.

⁶ 26 U.S. Code Section 162.

⁷ Document Nos. 07149-2026 and 02723-2026.

Table 1-3
Elimination of Meals Deduction (2026 Tax Year)

Meals deduction (50 percent of actual)	\$1,170,000
Statutory Federal & State Tax Rate	<u>25.345%</u>
Retail Meals Deduction	\$296,537
Jurisdictional Separation Factor	<u>85.12%</u>
Income Tax Impact	\$252,398
Net Operating Income Multiplier	<u>1.343</u>
Increase in 2026 Revenue Requirements*	\$338,970

Source: Document No. 01749-2026, Attachment 1.

*May not sum due to rounding.

Based on the analysis above, staff believes DEF's calculations of the base rate revenue impact resulting from the OBBBA are consistent with the IRC and the 2024 Settlement, and therefore, should be approved.

Issue 2: Should the Commission approve DEF's request to combine the tax reform base rate adjustment with the Bailey Mill Solar Base Rate Adjustment effective September 1, 2026?

Recommendation: Yes. In this proceeding the Commission should approve DEF's request to combine the tax reform base rate adjustment with the Bailey Mill Solar Base Rate Adjustment effective September 1, 2026. (Souchik, P. Kelly)

Staff Analysis: DEF proposed to combine the tax reform adjustment of \$338,970 for the 2026 tax year with the upcoming Bailey Mill Solar Base Rate Adjustment (SoBRA). The Bailey Mill SoBRA has been approved by Order No. PSC-2025-0212-PAA-EI.⁸ The Bailey Mill solar project is expected to be operational in August 2026 and the SoBRA would be effective in September 2026. DEF stated that it will file the applicable rate adjustments and tariff sheets, itemizing both the Bailey Mill SoBRA and tax reform adjustment components, approximately two months in advance of the effective date. As DEF stated in its petition, the base rate increase associated with tax reform is immaterial and proposed to combine the tax reform base rate increase with the Bailey Mill SoBRA for administrative efficiency.

In its response to staff's second data request, DEF stated that it will notify customers of the rate changes effective September 2026 through bill inserts. DEF calculated the estimated monthly bill impact of the tax reform base rate increase on a 1,000 kilowatt-hour residential bill to be \$0.01.⁹

As proposed by DEF, staff will review the tariff filing for the tax reform base rate adjustment at the time of the tariff filing for the Bailey Mill SoBRA. Given the relatively small tax change amount in the context of DEF's overall revenue requirement, processing this adjustment as a stand-alone base rate adjustment could create unnecessary administrative burden for both DEF and the Commission. In Order No. PSC-2025-0212-PAA-EI, the Commission granted staff administrative authority to approve tariffs and associated charges for four of DEF's solar projects.

Therefore, staff believes the Commission should approve DEF's request to combine the tax reform base rate adjustment with the Bailey Mill SoBRA effective September 1, 2026.

⁸ Order No. PSC-2025-0212-PAA-EI, issued June 18, 2025, in Docket No. 20250034-EI, *In re: Petition for a limited proceeding to approve first solar base rate adjustment, by Duke Energy Florida, LLC.*

⁹ Document No. 02723-2026.

Issue 3: Should the Commission approve DEF's request to include the tax reform base rate adjustment of \$225,980 for the period January 1, 2026, through August 31, 2026, in the Capacity Cost Recovery Clause?

Recommendation: Yes. The Commission should approve the inclusion of the tax reform base rate adjustment of \$225,980 for the period January 1, 2026 through August 31, 2026 in the Capacity Cost Recovery Clause (CCRC). (Souchik)

Staff Analysis: As discussed in Issue 2, DEF requested to include the annual tax reform base rate adjustment of \$338,970 in the Bailey Mill SoBRA beginning September 1, 2026. In addition, DEF requested to include recovery of the tax reform base rate revenue requirement impact for the period January 1, 2026, through August 31, 2026, in the CCRC as prescribed by the 2024 Settlement. The treatment of the base rate revenue requirement impact as a result of tax reform is defined in paragraph 19(b) of the 2024 Settlement, which states:

Any effects of tax reform on retail revenue requirements from the effective date through the date of the base rate adjustment shall be flowed back or collected from customers through the CCRC on the same basis as used in any base rate adjustment.¹⁰

The effective date of the change in IRC code 174(c) was January 1, 2026, and the proposed implementation date of the annual base rate adjustment of \$338,970 to be collected in the Baily Mill SoBRA is September 1, 2026. Therefore, for the first eight months of 2026, DEF will recover the base rate revenue requirement through the CCRC and not the Baily Mill SoBRA. In its response to staff's first data request, DEF explained it would collect \$225,980 through the 2026 CCRC, which represents the tax reform base rate revenue requirement impact of the elimination of the meals expense deduction for the period January 1, 2026, through August 31, 2026.¹¹ The amount of \$225,980 was calculated by multiplying \$338,970 by the ratio of 8 of 12 months, or two-thirds ($\$338,970 \times 2/3 = \$225,980$).

Staff believes DEF's request to include \$225,980 in the CCRC is reasonable, consistent with the 2024 Settlement, and should be approved.

¹⁰ Order No. PSC-2024-0472-AS-EI.

¹¹ Document No. 02113-2026.

Issue 4: Should this docket be closed?

Recommendation: If no person whose substantial interests are affected by the proposed agency actions files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order. (M. Thompson)

Staff Analysis: If no person whose substantial interests are affected by the proposed agency actions files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

Item 7

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-****DATE:** ~~March 26~~ May 20, 2026**TO:** Office of Commission Clerk (Teitzman)**FROM:** Division of Accounting and Finance (Cohn, Higgins, G. Kelley) *MC*
Division of Economics (Bruce, Hudson, Sibley) *ETD*
Division of Engineering (Ramirez-Abundez, Ramos) *TB*
Office of the General Counsel (Marquez, Imig) *SPS***RE:** Docket No. 20250088-WU – Application for staff-assisted rate case in Lake County by Sun Communities Finance, LLC d/b/a Water Oak Utility.**AGENDA:** 04/07/26 06/02/26 – Regular Agenda – Proposed Agency Action – Except for Issue Nos. 11, 12, and 13 – Interested Persons May Participate**COMMISSIONERS ASSIGNED:** All Commissioners**PREHEARING OFFICER:** La Rosa**CRITICAL DATES:** 11/8/26 (15-Month Effective Date (SARC))**SPECIAL INSTRUCTIONS:** None

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Case Background

Sun Communities Finance, LLC d/b/a Water Oak Utility (Water Oak or Utility) is a Class C water-only utility providing service to 1,265 residential customers and ~~16~~ 50 general service customers in Lake County. The Utility is a wholly-owned subsidiary of Asset Investors Operating Partnership, LP.

The Utility's rates were last established by Commission Order No. PSC-1997-0034-FOF-WS, issued January 7, 1997, in Docket No. 960040-WS, using a rate base as of November 30, 1993.¹ This order also transferred the Utility's water and wastewater certificates to Sun Communities Finance Limited Partnership from the seller. In 2000, the Utility changed the name on its certificate to Sun Communities Finance, LLC d/b/a Water Oak Utility. On March 12, 2020, the Utility's wastewater certificate was cancelled by Order No. PSC-2020-0074-PAA-WS.² It has been over 25 years since the Utility's last rate case.

Although the Utility has not had a rate case in many years, it has received 25 index increases since 1988, with the most recent index increase approved in 2023. While these adjustments provide limited rate relief between rate proceedings, they are not intended to address comprehensive changes in the Utility's revenue requirement.

On October 16, 2023, Water Oak filed an application for a staff-assisted rate case (SARC) which was assigned Docket No. 20230119-WU.³ This application was withdrawn on June 5, 2024.⁴

On June 23, 2025, the Utility filed an application for a SARC.⁵ Pursuant to Section 367.0814(2), Florida Statutes (F.S.), the official date of filing the SARC was established as August 8, 2025. Staff selected the test year ended December 31, 2024. According to the Utility's 2024 Annual Reports, total gross revenues were \$179,227 and operating expenses were \$342,931.

This item was presented at the April 7, 2026 Commission Conference and was ultimately deferred to the June 2, 2026 Commission Conference. Following this deferral, staff determined that the Utility is serving outside of its Commission-approved service territory. As a result, staff sent a letter to the Utility, which instructed it to file an Application for an Amendment to its Certificate pursuant to Rule 25-30.036, Florida Administrative Code (F.A.C.), by August 18, 2026.

The Commission has jurisdiction in this case pursuant to Sections 367.011, 367.081, 367.0812, 367.0814, 367.091, and 367.121, F.S.

¹ Order No. PSC-1997-0034-FOF-WS, issued January 7, 1997, in Docket No. 960040-WS, *In re: Application for transfer of Certificates Nos. 454-W and 388-S in Lake County from Water Oak Utilities Co., Inc. to Sun Communities Finance Limited Partnership.*

² Order No. PSC-2020-0074-PAA-WS, issued March 12, 2020, *In re: Request for cancellation of Certificate No. 388-S by Sun Communities Finance, LLC. d/b/a Water Oak Utility.*

³ Document No. 05692-2023, filed on October 16, 2023.

⁴ Document No. 04603-2024, filed on June 5, 2024.

⁵ Document No. 05141-2025, filed on June 23, 2025.

Discussion of Issues

Issue 1: Is the quality of service provided by Water Oak Utility satisfactory?

Recommendation: Yes. Water Oak's product is in compliance with the Department of Environmental Protection (DEP) and staff believes the Utility adequately demonstrated its ability to address customer concerns; therefore, staff recommends that the quality of service be considered satisfactory. (Ramirez-Abundez)

Staff Analysis: Pursuant to Section 367.081(2)(a)(1.), F.S., and Rule 25-30.433(1), F.A.C., in water rate cases, the Commission shall determine the overall quality of service provided by the Utility. This determination is made from an evaluation of the quality of the Utility's product and the Utility's attempt to address customer satisfaction. The rule further states that the most recent chemical analyses for the water system, outstanding citations, violations, and consent orders on file with the Department of Environmental Protection (DEP) and the county health department, and any DEP and county health department officials' testimony concerning quality of service shall be considered. In addition, any customer testimony, comments, or complaints received by the Commission are also reviewed. The operating condition of the water system is addressed in Issue 2.

Quality of the Utility's Product

In evaluating Water Oak's product quality, staff reviewed the Utility's compliance with the DEP's primary and secondary drinking water standards. Primary standards protect public health while secondary standards regulate contaminants that may impact the taste, odor, and color of drinking water. In the DEP's last Sanitary Survey Report dated March 14, 2023, no chemical or bacteriological exceedances were noted for the previous 12 months, and the Utility was determined to be in compliance with the DEP standards. In the Utility's last Consumer Confidence Report dated June 26, 2025, no violations of contaminant levels were noted for the testing period.

The Utility's Attempt to Address Customer Satisfaction

Staff reviewed the complaints filed in the Commission's Consumer Activity Tracking System (CATS), received by the Utility, and filed with the DEP for the test year and four years prior. There was one complaint filed in CATS regarding improper billing, where the customer reported inconsistent water bills. In response, the Utility explained that the customer's meter was installed incorrectly and a new meter was installed. The Utility also credited the customer's account based on their average historical usage. While the Utility did respond, it should be noted that the Utility was found to be in violation of Rule 25-22.032, F.A.C., for failing to respond within 15 days and failing to provide a full and accurate report. The Utility reported that it did not receive any complaints during this timeframe. The DEP responded that it received one complaint during this timeframe regarding the quantity of Boil Water Notices (BWN) the Utility issued.

Staff held a Customer Meeting on January 21, 2026, where eight customers provided comments. The majority of the comments focused on the overall rate increase. Customers also voiced their concerns about improperly functioning meters and the amount of unaccounted for water identified in the Staff Report. Following the Customer Meeting, staff asked Water Oak if it was

aware of the customer concerns regarding improperly functioning meters as well as how it would address each customer that spoke at the meeting. Water Oak stated that it was not aware of these meter concerns prior to the Customer Meeting and has no record of any ongoing or open complaints.⁶ Water Oak further explained it met with several residents after the Customer Meeting to explain the general ratemaking process and how the Utility addresses customer concerns.⁷

There were approximately ~~288~~ 308 customer comments in the docket file as of ~~March 2~~ May 6, 2026. However, Table 1-1 shows a total of ~~445~~ 484 customer comments because a single customer comment that relates to several different categories is counted multiple times (one time in each category). The majority of these comments expressed concerns with the overall rate increase. However, there were also concerns regarding improperly functioning meters, the amount of unaccounted water identified in the Staff Report, and quality of service such as fluctuating water pressure. For reference, the Utility serves approximately 1,265 residential customers.

**Table 1-1
 Number of Rate Case Comments Received by Source and Subject**

Subject of Comment	Oral Comments	Written Comments	Total*
Other	3	62 <u>73</u>	65 <u>76</u>
Quality of Service	-	2 <u>3</u>	2 <u>3</u>
Meter Issues	1	47 <u>55</u>	48 <u>56</u>
Improper Billing	-	17	17
Outages (Service interruption/BWN)	-	17 <u>18</u>	17 <u>18</u>
Rate Increase Concerns	8	288 <u>306</u>	296 <u>314</u>
Total	12	433 <u>472</u>	445 <u>484</u>

*A single customer comment/complaint may be counted multiple times if it is associated with multiple categories

As shown in Table 1-1, there were ~~17~~ 18 comments regarding service interruptions and BWNs. As such, staff requested the Utility’s service interruption records pursuant to Rule 25-30.251(1) and (2), F.A.C. The rule states that each utility is required to maintain a record of all interruptions in service which affect 10 percent or more of its customers, and to notify the Commission of these interruptions. “The record shall show the cause of the interruption, its date, time, duration, remedy, and steps taken to prevent recurrence.” Water Oak has not filed any such reports with the Commission and also stated that it has not had an outage affecting 10 percent or more of its customers. Rather, the Utility stated its highest impact experience was roughly 4 percent per outage and that the community uses valves to limit outages to only the affected section.⁸

⁶ Document No. 01125-2026, filed February 17, 2026.

⁷ *Id.*

⁸ Document No. 01428-2026, filed March 5, 2026.

On February 17, 2026, the Office of Public Counsel (OPC) filed an observation letter regarding the customer correspondence in the docket file, BWNs, and service interruptions based on DEP records. OPC's letter identified three service interruptions that affected 10 percent or more of the Utility's customers: two in 2020 and one in 2021. Upon reviewing OPC's observation letter, the Utility also identified three service interruptions (9/21/20; 12/2/20; 9/22/21) that exceeded the 10 percent or greater threshold, but were not reported to the Commission. Since that time, the Utility stated that it has improved its infrastructure and practice of isolating outages to those areas that require repair, which has prevented other disruptions from meeting or exceeding the report threshold. However, staff analyzed OPC's letter and the DEP documentation and found one additional instance (5/6/21) affecting 10 percent or more of the Utility's customers. On April 17, 2026, the OPC filed an additional observation letter recommending that the Commission find the Utility's quality of service to be marginal and impose a 15-basis-point reduction to the Utility's return on equity (ROE) based on the number of unplanned service interruptions that have occurred since 2019. The OPC also recommended a 15 percent reduction to Contractual Services – Professional expense related to management fees.⁹ As such, sStaff disagrees and recommends that the Utility maintain its service interruption records as outlined in Rule 25-30.251(1), F.A.C., and notify the Commission of any such interruption on a going-forward basis.

Staff performed a supplemental review of the complaints filed in CATS following the Customer Meeting and found no additional complaints. While there were approximately ~~288~~ 308 comments provided during the course of the proceeding, the majority of these comments were regarding the overall rate increase. There were few customer complaints filed during the test year and four years prior. Further, the Utility indicated that it attempted to reach the customers who spoke at the Customer Meeting to address their concerns and has taken steps to mitigate service interruptions. As such, staff believes the Utility adequately demonstrated its ability to address customer satisfaction. Additionally, the Utility is currently in compliance with the DEP standards. Therefore, staff recommends that the quality of service be considered satisfactory.

Conclusion

Water Oak's quality of the product is in compliance with the DEP standards and staff believes the Utility adequately demonstrated its ability to address customer satisfaction; therefore, staff recommends that the quality of service be considered satisfactory.

⁹ Document No. 02230-2026, filed April 17, 2026.

Issue 2: Is the infrastructure and operating conditions of Water Oak Utility in compliance with DEP regulations?

Recommendation: Yes. The Water Oak water system is currently in compliance with the DEP. (Ramirez-Abundez)

Staff Analysis: Rule 25-30.225(2), F.A.C., requires each water utility to maintain and operate its plant and facilities by employing qualified operators in accordance with the rules of the DEP. Rule 25-30.433(2), F.A.C., requires consideration of whether the infrastructure and operating conditions of the plant and facilities are in compliance with Rule 25-30.225, F.A.C. In making this determination, the Commission must consider testimony of the DEP and county health department officials, sanitary surveys for water systems, citations, violations, consent orders issued to the utility, customer testimony, comments, complaints, utility testimony, and responses to the aforementioned items.

Water System Operating Conditions

Water Oak's water system has a permitted capacity of 334,000 gallons per day (gpd). The Utility's water system has two 10-inch diameter wells and four hydropneumatic storage tanks. Well No. 1 has a pumping capacity of 1,000 gallons per minute (gpm). Well No. 2 has a pumping capacity of 750 gpm. Two of the hydropneumatic storage tanks have a capacity of 20,000 gallons each and two additional hydropneumatic storage tanks have a capacity of 25,000 gallons each. Groundwater is treated through hypochlorination. The DEP conducted an inspection of Water Oak's water treatment plant (WTP) on March 2, 2023. The resulting Sanitary Survey Report indicated the facility was in compliance with the DEP's rules and regulations.

Conclusion

The Water Oak water system is currently in compliance with the DEP.

Issue 3: What are the used and useful (U&U) percentages of Water Oak Utility's water treatment plant and water distribution system?

Recommendation: Water Oak's water treatment plant and its distribution system should both be considered 100 percent U&U. Additionally, an ~~29.7~~ 8.8 percent adjustment for Excessive Unaccounted for Water (EUW) should be made to operating expenses for chemicals and purchased power. (Ramirez-Abundez)

Staff Analysis: As stated in Issue 2, Water Oak's water system is served by two 10-inch diameter wells rated at 1,000 gpm and 750 gpm. The Utility is permitted by the DEP to withdraw an average of 334,000 gpd. The distribution system is a composite network of 2- to 3-inch Cross Linked Polyethylene pipe and 4- to 8-inch Polyvinyl Chloride (PVC) pipe. The distribution system has 15 fire hydrants.

Used and Useful Percentages

Rule 25-30.4325, F.A.C., addresses the method by which the U&U percentage of a water system is determined. Rule 25-30.4325(4), F.A.C., states that a water treatment system is considered 100 percent U&U if the service territory the system is designed to serve is built out and there is no apparent potential for expansion of the service territory or the system is served by a single well. Based on a review of Water Oak's service territory and annual report, the service territory appears to be built out. In its last limited proceeding increase and overearning investigation, the water distribution system and storage were found to be 100 percent U&U.⁶ Therefore, the U&U percentage for Water Oak's WTP, storage, and distribution system should be considered 100 percent.

Excessive Unaccounted for Water

Rule 25-30.4325, F.A.C., provides factors to be considered in determining whether adjustments to operating expenses are necessary for EUW. EUW is defined as "unaccounted for water in excess of 10 percent of the amount produced." Unaccounted for water is all water that is not sold, metered, or accounted for in the records of the Utility.

EUW is calculated by subtracting both the gallons sold to customers and the gallons used for other services, such as flushing, from the total gallons pumped and purchased for the test year, and dividing by the sum of the gallons pumped and purchased. The amount in excess of 10 percent, if any, is the EUW percentage. A review of the Utility's 2024 monthly operating reports on file with the DEP indicates that Water Oak produced 117,276,285 gallons of water during the test year. In response to staff data requests, the Utility indicated that it does not purchase any water.¹⁰ An examination of the Utility's billing records indicated ~~67,673,679~~ 92,272,981 gallons of treated water was sold to its customers. The Utility documented 2,998,514 gallons of other water usages for line and hydrant flushing along with water loss due to line breaks.¹¹ The resulting calculation ($[(117,276,285 + 0 - \del{67,673,679} \u{92,272,981} - 2,998,514) / (117,276,285 + 0)]$) for unaccounted for water is ~~39.7~~ 18.8 percent. The Rule allows a 10 percent margin; therefore, there is ~~29.7~~ 8.8 percent EUW. Regarding the

¹⁰ Document No. 14962-2025, filed November 6, 2025.

¹¹ Document No. 00410-2026, filed January 20, 2026.

cause, the Utility stated that it is evaluating master and customer meter accuracy, and assessing the distribution system for potential leaks and data inconsistencies.¹²

Conclusion

Water Oak's WTP and its distribution system should both be considered 100 percent U&U. Additionally, an ~~29.7~~ 8.8 percent adjustment for EUW should be made to operating expenses for chemicals and purchased power.

¹² Document No. 00410-2026, filed January 20, 2026.

Issue 4: What is the appropriate average test year rate base for Water Oak Utility?

Recommendation: The appropriate average test year rate base for Water Oak is ~~\$1,635,857~~ \$1,492,390. (Cohn, Ramirez-Abundez)

Staff Analysis: The appropriate components of the Utility’s rate base include utility plant in service (UPIS), land and land rights, accumulated depreciation, contributions-in-aid of construction (CIAC), accumulated amortization of CIAC, and working capital. Staff selected the test year ended December 31, 2024, for the current rate case. A summary of each component and the recommended adjustments are discussed below.

Pro Forma Plant Additions

Table 4-1 shows Water Oak’s five requested pro forma plant projects which are described below. It is Commission practice for staff to ascertain whether a minimum of three bids were solicited for each project or evaluate the Utility’s reasoning as to why three could not be obtained.¹³ Water Oak stated that it did not solicit multiple bids for each project due to emergency circumstances or limited vendor availability. The Utility believed the project requirements to be specialized, and few contractors in the area possess the necessary qualification, resources, or capacity to perform the work.¹⁴

**Table 4-1
 Pro Forma Plant Projects**

	Project	In-Service Date	Account Number	Amount	Retirement
1.	Generator and Automatic Transfer Switch Installation (ATS)	April <u>May</u> 2026	310	\$148,330	\$111,248
2.	24 - 5/8 by 3/4 inch Meters and Transmitters	December 2025	334	\$7,545	\$5,659
3.	Water Main Leak - 10 feet (ft.) of pipe replacement	March 2025	309	\$5,500	\$4,125
4.	Water Main Leak - 15 ft. of pipe replacement	April 2025	309	\$13,260	\$9,945
5.	New 100 Horse Power (HP) Well Pump Replacement	March 2025	311	\$36,619	\$27,464
	Total			\$211,254	\$158,441

Source: Responses to staff data requests.

¹³ E.g., Order No. PSC-2022-0335-PAA-WS, issued September 28, 2022, in Docket No. 20220066-WS, *In re: Application for increase in water rates in Washington County, by Sunny Hills Utility Company*; Order No. PSC-2021-0206-FOF-WS, issued June 4, 2021, in Docket No. 20200139-WS, *In re: Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties, by Utilities, Inc. of Florida*.

¹⁴ Document No. 14962-2025, filed November 6, 2025.

Project No. 1 – Generator and ATS Installation

Project No. 1 is the installation of a new 250kW, 480V, diesel driven Generac generator and automatic transfer switches. Water Oak stated that this project was necessary because the existing generator was outdated, undersized, and no longer capable of supporting the facility's full electrical load.¹⁵ Also, the DEP requires public water treatment plants to have backup power. The Utility provided its contract for this project which totals \$148,330 with an in-service date of ~~April~~ May 2026.

Water Oak stated that the new generator provides sufficient capacity to maintain all critical plant functions, including pumps, controls, and safety systems, during power failures. Furthermore, the addition of automatic transfer switches facilitates the transition between Utility and generator power, which should reduce downtime, prevent equipment damage, and ensure continuous treatment and distribution of safe water.¹⁶ Therefore, staff believes this project to be reasonable and prudent and recommends approval of \$148,330.

Project No. 2 – 24 – 5/8 by 3/4 Inch Meters and Transmitters

Project No. 2 is for the purchase and replacement of 24 residential 5/8 by 3/4 inch Accustream meters and end point transmitters. The Utility stated that the existing meters and transmitters were not working properly and could not be reset or repaired. Water Oak selected these meters based on their price, accuracy, durability, low maintenance, and cost.¹⁷ The new Accustream meters have an expected manufacturer's service life of 10 to 15 years. The Utility provided an invoice totaling \$7,545 for this project, which was completed in December 2025.

As discussed in Issue 1, several customers raised concerns regarding improperly functioning meters. In its fourth data request, staff asked the Utility to explain why it proposed replacing only 24 meters despite serving approximately 1,265 residential customers, and to clarify whether the remaining meters had already been replaced or were planned for future replacement. The Utility responded that meters are replaced on an as-needed basis, specifically when repairs are not feasible. Staff believes this project is reasonable and necessary, especially given the customer concerns. Should the Utility determine that additional meter replacements are warranted, it may seek Commission approval for cost recovery in a future proceeding. Therefore, staff recommends approval of \$7,545 for the replacement of 24 residential meters.

Project No. 3 – Water Main Leak – 10 ft. of Pipe Replacement

Project No. 3 is the replacement of 10 feet of C900 pipe and two 8-inch mechanical joints due to a water main break in February 2025. The Utility provided an invoice reflecting total project costs of \$5,500. The project was completed in March 2025. This repair was necessary to restore and maintain service to customers. Based on the documentation provided, staff believes the project was necessary and, therefore, recommends approval of the total cost of \$5,500.

¹⁵ Document No. 14962-2025, filed November 6, 2025.

¹⁶ *Id.*

¹⁷ Document No. 00410-2026, filed January 20, 2026.

Project No. 4 – Water Main Leak – 15 ft. of Pipe Replacement

Project No. 4 is the replacement of 15 feet of PVC pipe and fittings due to a water main leak on March 14, 2025. The cost of this project also included the costs to replace a customer’s driveway that was removed in the process of accessing the water main leak. The Utility provided invoices reflecting total project costs of \$13,260, consisting of \$8,500 for pipe replacement and \$4,760 for driveway restoration. This project was completed April 2025.

This repair was necessary to restore service and maintain system reliability. Additionally, the driveway restoration costs were directly related to the repair and are appropriately included as part of the total project expense. Therefore, staff believes the project to be reasonable and necessary and recommends approval of the total cost of \$13,260.

Project No. 5 – New 100 Horse Power (HP) Well Pump Replacement

Project No. 5 included assessing the existing pump, and the purchase, and installation of a new 100HP pump. The Utility stated that the existing pump had reached the end of its useful service life and was operating inefficiently, resulting in frequent repairs, increased maintenance costs, and reduced system reliability due to downtime.¹⁸

This project consists of \$5,140 for pulling the old 100HP deep well pump to assess, gather information, and specifications to quote a replacement, and \$31,478 for the installation of the new pump, for a total project cost of \$36,619. The Utility provided supporting invoices for these costs. Staff believes the pump replacement to be necessary to maintain reliable service. Accordingly, staff recommends approval of the total project cost of \$36,619.

Utility Plant in Service

The Utility recorded UPIS of \$2,925,041. Based on invoices provided in response to Staff’s Third Data Request, staff increased plant by \$70,365 to reclassify plant additions identified as “Site Work – Grading, Fence, Restoration, Driveway” from Account 303 – Land and Land Rights to Account 304 Structures and Improvements.¹⁹ Staff further increased UPIS by \$211,254 to reflect pro forma additions. Staff then made subsequent adjustments to reflect pro forma retirements, reducing UPIS by \$158,441. Additionally, staff reduced this amount by \$570,871 to reflect averaging adjustments, resulting in a net reduction to UPIS of \$447,693. Therefore, staff recommends an average UPIS of \$2,477,349.

Land and Land Rights

The Utility recorded a test year land and land rights balance of \$73,415. Staff reclassified \$70,365 from Account 303 – Land and Land Rights to Account 304 – Structures and Improvements to reflect the invoiced amounts provided in Staff’s Third Data Request, which identified the costs as “Site Work – Grading, Fence, Restoration, Driveway.”²⁰ Therefore, staff recommends a land and land rights balance of \$3,050.

¹⁸ Document No. 14962-2026, filed November 6, 2025.

¹⁹ Document No. 15081-2025, filed November 14, 2025.

²⁰ *Id.*

Accumulated Depreciation

The Utility recorded accumulated depreciation of \$1,092,623. Audit staff determined that the Utility used incorrect depreciation rates for accounts 301, 304, 307, 311, and 330. Additionally, the Utility did not include net salvage for account 341. As such, audit staff reduced accumulated depreciation by \$11,585 to reflect the use of the correct depreciation rates per Rule 25-30.140, F.A.C., and to include the net salvage. Staff decreased accumulated depreciation by \$155,463 to reflect pro forma additions and retirements. Staff increased accumulated depreciation by \$1,302 to reflect the additional accumulated depreciation resulting from the reclassification of \$70,365 of site work from land to Account 304 – Structures and Improvements. Additionally, staff decreased accumulated depreciation by \$60,070 to reflect averaging adjustments. Staff's adjustments result in a total decrease to accumulated depreciation of \$225,816. Therefore, staff recommends an average accumulated depreciation balance of \$866,807.

Contributions In Aid of Construction (CIAC)

The Utility recorded CIAC of \$174,916. ~~Staff made no adjustments to CIAC and, therefore, recommends an average CIAC balance of \$174,916. On May 6, 2026, OPC submitted a letter of additional observations and recommendations.²¹ Staff reviewed OPC's letter and agrees that certain prior-year meter installation fees and service availability charges were either not charged or recorded as directed in Order Nos. PSC-2000-1165-PAA-WS and PSC-2002-1831-TRF-WS.²² Although customer growth occurred, for the majority of the years from 2000 to 2024, no meter installation fees or service availability charges were shown on the Utility's books. It is staff's opinion that the Commission directed the Utility to "reinstate" these charges in 2000 as detailed in Order No. PSC-2000-1165-PAA-WS.²³ Thus, additional (estimated) CIAC is being recommended in this instance.~~

Broadly, these charges are intended to shield existing customers from the cost impacts associated with adding new customers to the system. The Commission intended that new growth fund the infrastructure it requires by ordering the reinstatement of these charges in Order No. PSC-2000-1165-PAA-WS. Therefore, staff increased CIAC by \$103,929 and recommends an average CIAC balance of \$278,845.

Accumulated Amortization of CIAC

~~The Utility recorded accumulated amortization of CIAC of \$174,916. Staff made no adjustments and, therefore, recommends an average accumulated amortization of CIAC balance of \$174,916. In response to the OPC's May 6, 2026 letter, staff decreased accumulated amortization of CIAC by \$40,325 to reflect the recording of CIAC-related fees and charges. Per Rule 25-30.140(9)(b), the expense associated with the CIAC was recalculated which changed the level of accumulated amortization of CIAC. Therefore, staff recommends an average accumulated amortization of CIAC balance of \$134,591.~~

²¹ Document No. 02623-2026, filed May 6, 2026.

²² See Order No. PSC-2000-1165-PAA-WS, issued June 27, 2000, in Docket No. 19990243-WS, *In re: Application for limited proceeding increase and restructuring of water rates by Sun Communities Finance Limited Partnership in Lake County, and overearnings investigation*, and Order No. PSC-2002-1831-TRF-WS, issued December 20, 2002, in Docket No. 20020388-WS, *In re: Request for approval to increase meter installation fees to conform to current cost in Lake County by Sun Communities Finance, LLC d/b/a Water Oak Utility*.

²³ Order No. PSC-2000-1165-PAA-WS.

Working Capital Allowance

Working capital is defined as the short-term investor-supplied funds that are necessary to meet operating expenses. Consistent with Rule 25-30.433(3), F.A.C., staff used the one-eighth operation and maintenance (O&M) expense (less rate case expense) formula for calculating the working capital allowance.²⁴ As such, staff removed the rate case expense of ~~\$2,758~~ \$5,535. This resulted in an adjusted O&M expense balance of ~~\$178,124~~ \$184,420. Applying this formula, staff recommends a working capital allowance of ~~\$22,266~~ \$23,052.

Rate Base Summary

Based on the foregoing, staff recommends that the appropriate average test year rate base is ~~\$1,635,857~~ \$1,492,390. Rate base is shown on Schedule No. 1-A. The related adjustments are shown on Schedule No. 1-B.

²⁴ Order No. PSC-2025-0359-PAA-WU, issued September 24, 2025, in Docket No. 20240168-WU, *In re: Application for staff-assisted rate case in Highlands County, by Country Walk Utilities, Inc.*

Issue 5: What is the appropriate return on equity and overall rate of return for Water Oak Utility?

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 8.51 percent. (Cohn)

Staff Analysis: The Utility's capital structure consists of common equity. The Utility's capital structure has been reconciled to staff's recommended rate base. The ROE is 8.51 percent based on the Commission-approved leverage formula currently in effect.²⁵

Staff recommends an ROE of 8.51 percent with a range of 7.51 percent to 9.51 percent, and an overall rate of return of 8.51 percent. The ROE and overall rate of return are shown on Schedule No. 2.

²⁵ Order No. PSC-2025-0213-PAA-WS, issued on June 18, 2025, in Docket No. 20250006-WS, *In re: Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.*

Issue 6: What are the appropriate amount of test year operating revenues for Water Oak Utility?

Recommendation: The appropriate test year operating revenues for Water Oak's water system are ~~\$168,055~~ \$208,330. (Sibley)

Staff Analysis: The Utility recorded total test year operating revenues of \$191,134 for water. The water revenues included \$191,134 of service revenues and no miscellaneous revenues. Staff's review of the audit indicated that the Utility's general ledger consisted of duplicate bills for the residential class. Staff removed the duplicate bills and adjusted the billing data to reflect the appropriate billing determinants for residential. In addition, the general service customers were not billed during the test year. During staff's audit review, the Utility indicated there were 17 general service customers and usage was 190,283 gallons. In the preliminary analysis, the general service customers were all classified as having a 5/8 inch x 3/4 inch meter size when determining the appropriate test year service revenues.

On February 17, 2026, the OPC submitted an observation letter and therein raised a concern regarding the appropriate number of unbilled general service customers as well as their water consumption.²⁶ OPC noted that the Utility's 2024 Annual Report indicated there were 19 general service customers at various meter sizes; therefore, based on OPC's analysis, the general service revenues are understated.

Staff contacted the Utility to confirm the billing determinants and meter sizes for each general service customer.²⁷ Based on information provided by the Utility, there had been 17 general service customers, among them a model home. The model home had recently sold and was reclassified from general service to residential. As a result, there are currently 16 general service customers. Fifteen of those customers have a 5/8 inch x 3/4 meter size and one customer has a two inch meter. According to the Utility, All of the general service consumption is for irrigation purposes only, with the exception of a pool. In response to staff's inquiry, the Utility reevaluated the general service gallon total and indicated it should be 197,780. ~~The Utility acknowledged its unaccounted for water issue, is in the process of investigating potential causes, and indicated it will address any actionable findings in a timely manner. To determine the appropriate service revenues, staff applied the adjusted billing determinants for both residential and general service classes to the Utility's tariff rates. As a result, staff determined test year operating revenues should be \$168,055. This results in a decrease to service revenues of \$23,079 (\$191,134 - \$168,055). Based on the above, staff's recommended test year revenues at the April 7, 2026 Commission Conference were \$168,055.~~

At its April 7, 2026 Commission Conference, the Commission voted to defer this docket to gather additional information. Subsequent to the Commission Conference, staff discovered that the Utility has more general service customers than initially reported. In a response to staff's data request, the Utility provided a revised list of general service customers, which included the meter sizes, but there was no associated usage included in the response.²⁸ The list of general service

²⁶ Document No. 01137-2026, filed on February 17, 2026.

²⁷ Document No. 01273-2026, filed on February 25, 2026.

²⁸ Document No. 02469-2026, filed on April 29, 2026

customers represented the water service provided to common areas and amenities located throughout Water Oak Country Club Estates. Staff contacted the Utility and requested the consumption data for the additional general service customers. The Utility provided consumption data for its residential and some of its general service customers.²⁹ Based on staff's review of the data, it appeared that the usage for the majority of the service provided to the common areas and amenities was not provided. Staff has attempted to obtain the consumption data for all the general service customers, but the Utility failed to respond to staff's requests. Therefore, in this case, staff believes that it is necessary to impute usage/gallons to capture the appropriate amount of water consumption for all residential and general service customers.³⁰ Such an approach is analogous to prior dockets where the Commission has imputed revenues when the billing data was not complete.³¹

As stated in Issue 3, for 2024, the Utility reported that it produced a total of 117,276,285 gallons during the test year. To determine the appropriate number of total gallons sold, staff calculated an average of the percentage of gallons sold to gallons pumped based on the last five years of the Utility's Annual Reports filed with the Commission, which resulted in an average of 78.68 percent. Table 6-1 below shows staff's calculation.

Table 6-1
Percentage Difference in Total Gallons Pumped and Sold

<u>Years</u>	<u>Total Gallons Pumped</u>	<u>Total Gallons Sold</u>	<u>% of Gallons Sold</u>
<u>2020</u>	<u>117,676,000</u>	<u>92,845,000</u>	<u>78.90%</u>
<u>2021</u>	<u>112,823,000</u>	<u>96,010,000</u>	<u>85.10%</u>
<u>2022</u>	<u>113,051,000</u>	<u>85,575,000</u>	<u>75.70%</u>
<u>2023</u>	<u>120,739,000</u>	<u>91,394,000</u>	<u>75.70%</u>
<u>2024</u>	<u>117,170,000</u>	<u>91,394,000</u>	<u>78.00%</u>
<u>Average</u>			<u>78.68%</u>

Source: 2020-2024 Annual Reports and staff calculations.

Staff applied the average percentage of 78.68 to the 117,276,285 gallons produced during the test year. This results in staff's total recommended gallons of 92,272,981 (117,276,285 x 78.68%) sold to residential and general service customers during the test year. Based on staff's analysis of the Utility's billing data, the residential gallons sold during the test year were 67,483,366. Therefore, staff recommends that the appropriate number of general service gallons should be 24,789,615 gallons (92,272,981 - 67,483,366). Based on all the subsequent information provided by Water Oak, staff determined that there are 50 general service customers during the test year as shown in Schedule No. 5 attached to the recommendation. Also, staff increased the test year bills to reflect the appropriate general service customers.

²⁹ Document No. 02857-2026, filed on May 13, 2026.

³⁰ Order Nos. PSC-02-1739-PAA-WS, issued in December 10, 2002, in Docket No. 020010-WS, *In re: Application for staff-assisted rate in Highlands County by the The Woodlands of Lake Placid, L.P.* and PSC-08-0548-PAA-WS, issued in August 19, 2008, *In re: Application for staff-assisted rate case in Polk County by Plantation Landings, Ltd.*

³¹ *Id.*

To determine the appropriate test year operating revenues, staff applied the adjusted billing determinants to the Utility's current rates. As a result, staff determined test year operating revenues should be \$208,330. This results in an increase to test year operating revenues of \$17,196 (\$208,330 - \$191,134) in relation to the Utility's booked test year operating revenues and a \$40,275 (\$208,330 - \$168,055) increase to staff's prior recommendation for the test year operating revenues.

Based on the above, the appropriate test year operating revenues for Water Oak's water system are ~~\$168,055~~ \$208,330.

Issue 7: What is the appropriate amount of operating expense for Water Oak Utility?

Recommendation: The appropriate amount of operating expense for Water Oak is ~~\$323,271~~ \$325,473. (Cohn)

Staff Analysis: The Utility recorded an operating expense of \$342,547. The test year O&M expenses have been reviewed by staff, including invoices and other supporting documentation. Staff has made several adjustments to the Utility's operating expenses as described below.

Operation and Maintenance Expenses

Salaries and Wages – Employees (601)

The Utility recorded salaries and wages – employees expense of \$51,843, which included payroll tax. Staff reduced this account by \$3,669 to reclassify payroll taxes to Taxes Other Than Income. Therefore, staff recommends salaries and wages – employees expenses of \$48,174.

Purchased Power (615)

The Utility recorded a purchased power expense of \$13,574. Audit staff increased this amount by \$529 to correct a formula error in the Utility's supporting documentation. Additionally, staff decreased this account by ~~\$4,189~~ \$1,241 to reflect the ~~29.70~~ 8.8 percent EUW discussed in Issue 3. Staff's adjustments to purchased power result in a total decrease of ~~\$3,660~~ \$712. Therefore, staff recommends purchased power expenses of ~~\$9,914~~ \$12,862.

Chemicals (618)

The Utility recorded a chemicals expense of \$16,019. Staff decreased this amount by ~~\$4,758~~ \$1,410 to reflect the ~~29.70~~ 8.8 percent EUW discussed in Issue 3. Therefore, staff recommends a chemicals expense of ~~\$11,261~~ \$14,609.

Materials and Supplies (620)

The Utility recorded materials and supplies expense of \$294. Audit staff reduced this amount by \$60 due to a lack of supporting documentation. Therefore, staff recommends a materials and supplies expenses of \$234.

Contractual Services – Billing (630)

The Utility recorded contractual services – billing expense of \$10,785. Staff made no adjustments to this account. Therefore, staff recommends a contractual services – billing expense of \$10,785.

Contractual Services – Professional (631)

The Utility recorded contractual services – professional expense of \$95,324. Audit staff reduced this amount by \$15,870 to remove expenses related to the Utility's 2023 SARC. In addition, staff reduced this amount by \$8,574 to amortize non-reoccurring U.S. Environmental Protection Agency related expenses over five years pursuant to Rule 25-30.433(9), F.A.C. Staff's adjustments result in a total reduction to contractual services – professional of \$24,444. Therefore, staff recommends contractual services – professional of \$70,880.

Contractual Services – Testing (635)

The Utility recorded a contractual services – testing expense of \$3,629. Staff made no adjustments to this account. Therefore, staff recommends a contractual services – testing expense of \$3,629.

Contractual Services – Other (636)

The Utility recorded contractual services – other expense of \$24,421. Audit staff removed \$2,175 of non-recoverable wastewater-related expenses. Therefore, staff recommends contractual services – other expenses of \$22,246.

Regulatory Commission Expense (665)

The Utility did not record any rate case expense for the instant docket. The Utility is required by Rule 25-22.0407, F.A.C., to mail notices of the rate case overview, interim rates, final rates, and four-year rate reduction. Staff calculated noticing costs to be ~~\$4,471~~ \$4,589.

Under Section 367.0814(3), F.S., the Commission may allow rate case expense for attorney fees or fees of other outside consultants if such fees are incurred after the initial staff report. On February 17, 2026, the Utility filed documentation to support \$5,368 in additional rate case expense including actual legal expenses and consulting fees incurred to date and estimated through the end of the proposed agency action process.³² ~~Staff reviewed the supporting documentation and believes the Utility's requested rate case expense is reasonable.~~

On April 23, 2026, the Utility filed further documentation to support \$10,484 in additional rate case expense including actual legal expenses and consulting fees incurred to date and estimated expenses through the end of the proposed agency action process.³³ Staff reviewed the supporting documentation and believes the Utility's requested rate case expense totaling \$15,852 is reasonable.

Staff calculated the distance from the Utility representative's office in Orlando, Florida, to Tallahassee, Florida as 261 miles. Based on the 2026 Internal Revenue Service business mileage rate of \$0.725, staff calculated round trip travel and lodging expense to the Commission Conference of \$578.³⁴ However, because the same Utility representative ~~will be attending~~ attended the April 7, 2026 Commission Conference on behalf of this and two sister utilities, staff allocated only 33.3 percent of the total travel expense, or \$193, to Water Oak.

Due to the deferral of the docket to the June 2, 2026 Commission Conference, staff included an additional travel expense of \$506, for a total travel expense to both Commission Conferences of \$699. Additionally, the Utility paid a filing fee of \$1,000.

Staff recommends a total rate case expense, consisting of noticing costs, travel, lodging expenses and filing fee of ~~\$11,031~~ \$22,140, which amortized over four years is ~~\$2,758~~ \$5,535. Therefore, staff recommends total annual rate case expense of ~~\$2,758~~ \$5,535.

³² Document No. 01118-2026, filed on February 17, 2026.

³³ Document No. 02345-2026, filed on April 23, 2026.

³⁴ <https://www.irs.gov/newsroom/irs-sets-2026-business-standard-mileage-rate-at-725-cents-per-mile-up-25-cents> (last visited March 19, 2026).

Bad Debt Expense (670)

The Utility recorded \$0 of bad debt expense. Staff notes that it is Commission practice to calculate bad debt expense using a three-year average when the information is available.³⁵ In its three most-recent Annual Reports (2022, 2023, and 2024), the Utility recorded bad debt expenses of \$0 for all three years. In response to Staff's Third Data Request, the Utility confirmed that it recorded no bad debt and that any uncollectible accounts are handled and absorbed by the parent company.³⁶ Therefore, staff recommends a bad debt expense of \$0.

Miscellaneous Expenses (675)

The Utility recorded a miscellaneous expense of \$1,001. Staff made no adjustments to this account. Therefore, staff recommends a miscellaneous expense of \$1,001.

Operation and Maintenance (O&M) Expense Summary

The Utility recorded a test year O&M expense of \$216,890. Based on the above adjustments, staff recommends that O&M expenses be reduced by ~~\$36,008~~ \$26,935. This results in a total O&M expense of ~~\$180,882~~ \$189,955. Staff's recommended adjustments to O&M are shown on Schedule No. 3-C.

Depreciation Expense

The Utility recorded depreciation expense of \$107,275. Using the depreciation rates prescribed in Rule 25-30.140, F.A.C., audit staff decreased this amount by \$39. Staff increased depreciation expense by \$2,606 to reflect the additional depreciation expense resulting from the reclassification of \$70,365 of site work from land to Account 304 – Structures and Improvements. Additionally, staff increased this amount by \$2,977 to reflect the addition of pro forma items. Staff's adjustments result in an increase to depreciation expense of \$5,544. Therefore, staff recommends a depreciation expense of \$112,819.

Amortization of CIAC

The Utility recorded no CIAC amortization expense. However, as a result of the adjustments to CIAC discussed in Issue 4, staff recommends a CIAC amortization expense of \$6,421.

Taxes Other Than Income (TOTI)

The Utility recorded TOTI of \$18,382, which includes payroll tax, property tax, and regulatory assessment fees (RAF). Staff increased this amount by \$3,669 to reflect the reclassification of payroll tax expense that had been recorded to Account 601 – Salaries and Wages. In response to Staff's Fifth Data Request, the Utility stated that it paid \$4,297 in property taxes.³⁷ As such, staff decreased property taxes by \$5,484 to reflect the accurate property taxes the Utility paid in the test year. Additionally, staff increased TOTI by \$794 to reflect property taxes associated with pro forma plant additions.

³⁵ Order No. PSC-2025-0285-PAA-WU, issued July 22, 2025, in Docket No. 20240119-WU, *In re: Application for staff-assisted rate case in Polk County, by Alturas Water, LLC*; Order No. PSC-2025-0284-PAA-SU, issued July 22, 2025, in Docket No. 20250105-SU, *In re: Application for staff-assisted rate case in Polk County, by West Lakeland Wastewater, LLC*.

³⁶ Document No. 15081-2025, filed November 14, 2025.

³⁷ Document No. 00833-2026, filed February 3, 2026.

Based on revenues discussed in Issue 6, TOTI should be increased by ~~\$1,039~~ \$774 to reflect a RAF rate of 4.5 percent applied to the change in test year revenues. As such, staff recommends the appropriate amount of test year RAFs are ~~\$7,562~~ \$9,375.

As discussed in Issue 9, staff recommends revenues be increased by ~~\$294,379~~ \$244,100 in order to reflect the change in revenue required to cover expenses and allow an opportunity to earn the recommended rate of return. As a result, TOTI should be increased by ~~\$13,247~~ \$10,985 to reflect RAFs of 4.5 percent of the change in revenues. Therefore, staff recommends a test year TOTI of ~~\$29,570~~ \$29,120.

Operating Expense Summary

The Utility recorded an operating expense of \$342,547. The application of staff's recommended adjustments to the Utility's operating expense results in a total operating expense of ~~\$323,271~~ \$325,473. Operating expenses are shown on Schedule No. 3-A, and the related adjustments are shown on Schedule No. 3-B.

Issue 8: Does Water Oak Utility meet the criteria for application of the operating ratio methodology?

Recommendation: No. Water Oak does not meet the criteria for application of the operating ratio methodology for calculating the revenue requirement. (Cohn)

Staff Analysis: Rule 25-30.4575(2), F.A.C., provides that, in rate cases processed under Rule 25-30.455, F.A.C., the Commission will use the operating ratio methodology to establish the Utility's revenue requirement when its rate base is not greater than 125 percent of O&M expenses, less regulatory commission expense, and the use of the operating ratio methodology does not change the Utility's qualification for a SARC.

With respect to Water Oak, staff has recommended a rate base of ~~\$1,635,857~~ \$1,492,390. After removal of rate case expense, staff has calculated an adjusted O&M expense of ~~\$178,124~~ \$184,420. Based on staff's recommended amounts, the Utility's rate base is ~~918.38~~ 809.23 percent of its adjusted O&M expense. Therefore, the Utility does not qualify for application of the operating ratio methodology.

Issue 9: What is the appropriate revenue requirement for Water Oak Utility?

Recommendation: The appropriate revenue requirement is ~~\$462,434~~ \$452,430, resulting in an annual increase of ~~\$294,379~~ \$244,100 (~~175.17~~ 117.17 percent). (Cohn)

Staff Analysis: Water Oak Utility should be allowed an annual increase of ~~\$294,379~~ \$244,100 (~~175.17~~ 117.17 percent). This should allow the Utility the opportunity to recover expenses and earn 8.51 percent return on its rate base. The calculations of revenue requirement are shown on Table 9-1 below.³⁸

**Table 9-1
 Water Revenue Requirement**

Water Rate Base	\$1,635,857
	<u>\$1,492,390</u>
Rate of Return	× 8.51%
Return on Rate Base	\$139,162
	<u>\$126,958</u>
Water O&M Expense	\$180,882
	<u>\$189,955</u>
Depreciation Expense	112,819
<u>Amortization</u>	<u>(6,421)</u>
Taxes Other Than Income	29,570
	<u>29,120</u>
Revenue Requirement	\$462,434
	<u>\$452,430</u>
Less Test Year Revenues	\$168,055
	<u>\$208,330</u>
Annual Increase	\$294,379
	<u>\$244,100</u>
Percent Increase	175.17%
	<u>117.17%</u>

Source: Staff calculations.

³⁸ Staff notes the calculations presented in Table 9-1 may not sum due to rounding.

Issue 10: What are the appropriate rate structure and rates for Water Oak Utility?

Recommendation: The recommended rate structure and monthly water rates are shown on Schedule No. 4. 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. (Sibley)

Staff Analysis: Water Oak is located in Lake County within the St. Johns River Water Management District. The Utility provides water service to 1,265 residential customers and ~~46~~ 50 general service customers. A review of the billing data indicates approximately 13 percent of the residential customer bills during the test year had zero gallons, which reflects a non-seasonal customer base. The average residential water demand was 4,540 gallons per month during the test period. Currently, the rate structure for the residential class consists of a base facility charge (BFC) and a three-tier inclining block gallonage charge. The general service class consists of a BFC and uniform gallonage charge.

Staff performed an analysis of the Utility's billing in order to evaluate the appropriate rate structure for the residential water customers. The goal of the evaluation was to select the rate design parameters that: (1) produce the recommended revenue requirement; (2) equitably distribute cost recovery among the Utility's customers; (3) establish the appropriate discretionary usage threshold for restricting repression; and (4) implement, where appropriate, water conserving rate structures consistent with Commission practice.

For this case, due to the non-seasonal customer base, staff recommends that 30 percent of the water revenues be generated from the BFC, which will provide sufficient revenues to design gallonage charges that will send the appropriate pricing signals to customers using above the non-discretionary level. The average number of people per household is 1.87;³⁹ therefore, based on the number of people per household, 50 gallons per day, per person, and the number of days per month, the discretionary usage threshold should be 3,000 gallons per month. Staff's review of the billing data indicates that discretionary usage above 3,000 gallons represents approximately 46 percent of the bills, which accounts for approximately 57 percent of water demand. This indicates that there is some high discretionary usage above 3,000 gallons.

Staff recommends a continuation of the three-tier inclining block rate structure which includes separate gallonage charges for non-discretionary and discretionary usage for residential water rates. Due to the fairly high usage above 3,000 gallons per month, staff believes that it is appropriate in this case to recommend rate factors of 1.50 in the second tier and 1.75 in the third tier because it will target those customers with higher levels of consumption. General service customers should continue to be billed a BFC and uniform gallonage charge

³⁹ Average persons per household may be found by following:
<https://data.census.gov/table/ACSDP5Y2023.DP02?q=Lady+Lake+town,+Florida+dp02> (last visited March 20, 2026).

Based on staff's recommended revenue increase of ~~175.17~~ 117.17 percent, the residential consumption can be expected to decline by ~~34,131,000~~ 22,116,000 gallons resulting in an anticipated average residential demand of ~~2,244~~ 3,052 gallons per month. Staff recommends a ~~50.6~~ 32.8 percent reduction in test year residential gallons for ratesetting purposes. As a result, the corresponding reductions for purchased power expense is ~~\$5,000~~ \$3,076, ~~\$5,680~~ \$3,494 for chemicals expense, and ~~\$503~~ \$310 for RAFs to reflect the anticipated repression, which results in a post repression revenue requirement of ~~\$451,251~~ \$445,551.

Furthermore, in its application, the Utility indicated a preference to implement rates in three phases, but "reserve[d] the right to implement full compensatory rates . . . in its sole discretion" In the staff report, staff concluded that a rate phase-in was not needed in this docket. Staff typically recommends phase-in rates when pro forma items have been requested but not completed, allowing for incremental increases upon completion. Pursuant to Section 367.081(1), "a utility may only charge rates and charges that have been approved by the [C]ommission," except as provided in Subsections (4) and (6). Those Subsections deal with price adjustment indices and the file-and-suspend provision, respectively. Therefore, the Utility may only charge the rates approved by the Commission unless otherwise expressly authorized by law.

Based on the above, staff's recommended rate structure and monthly water rates are shown on Schedule No. 4. For a residential customer using 6,000 gallons, the proposed monthly bill in the recommendation filed for the April 7, 2026 Commission Conference would have been \$75.30; as shown on Schedule No. 4, the bill under the revised staff recommended rates would be \$35.16, a reduction of \$40.14. Additional bill comparisons are shown on Schedule No. 4. 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 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, 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. Water Oak 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. (Cohn)

Staff Analysis: Section 367.081(8), F.S., requires that the rates be reduced by the amount of the rate case expense previously included in rates immediately following the expiration of the recovery period. The reduction will reflect the removal of revenue associated with the amortization of rate case expense and the gross-up for RAFs. The total reduction is ~~\$2,888~~ \$5,796.

Staff recommends that the rates should be reduced as shown on Schedule No. 4, 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. Water Oak 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 12: Should the recommended rates be approved for Water Oak Utility 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. Water Oak 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 sheets, 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 below in the staff analysis. 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 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. (Cohn)

Staff Analysis: This recommendation proposes an increase in rates. A timely protest might delay a rate increase resulting in an unrecoverable loss of revenue to the Utility. Therefore, pursuant to Section 367.0814(7), F.S., in the event of a protest filed by a party other than the Utility, staff recommends that the proposed rates be approved on a temporary basis. Water Oak should file revised tariff sheets and a proposed customer notice reflecting 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 temporary rates should not be implemented until staff has approved the proposed notice, and it has been received by the customers. The additional revenue produced by staff's recommended rates and collected by the Utility should be subject to the refund provisions discussed below.

Water Oak should be authorized to initiate the temporary rates upon staff's approval of an appropriate security for the potential refund and cost of the proposed customer notice. Security should be in the form of either a bond or letter of credit in the amount of ~~\$201,015~~ \$166,683. Alternatively, the Utility may establish an escrow agreement with an independent financial institution.

If the Utility chooses a bond for securing the potential refund, the bond should contain wording to the effect that it will be terminated only under the following conditions:

1. The Commission approves the rate increase; or,
2. If the Commission denies the increase, the Utility shall refund the amount collected that is attributable to the increase.

If the Utility chooses a letter of credit for securing the potential refund, the letter of credit should contain the following conditions:

1. The letter of credit is irrevocable for the period it is in effect.
2. The letter of credit will be in effect until a final Commission order is rendered, either approving or denying the rate increase.

If security is provided through an escrow agreement, the following conditions should be part of the agreement:

1. The Commission Clerk, or his or her designee, must be a signatory to the escrow agreement.
2. No monies in the escrow account may be withdrawn by the Utility without the prior written authorization of the Commission Clerk, or his or her designee.
3. The escrow account shall be an interest bearing account.
4. If a refund to the customers is required, all interest earned by the escrow account shall be distributed to the customers.
5. If a refund to the customers is not required, the interest earned by the escrow account shall revert to the Utility.
6. All information on the escrow account shall be available from the holder of the escrow account to a Commission representative at all times.
7. The amount of revenue subject to refund shall be deposited in the escrow account within seven days of receipt.
8. This escrow account is established by the direction of the Florida Public Service Commission for the purpose(s) set forth in its order requiring such account. Pursuant to *Cosentino v. Elson*, 263 So. 2d 253 (Fla. 3d DCA 1972), escrow accounts are not subject to garnishments.
9. The account must specify by whom and on whose behalf such monies were paid.

In no instance should the maintenance and administrative costs associated with the refund be borne by the customers. These costs are the responsibility of, and should be borne by, the Utility. Irrespective of the form of security chosen by the Utility, an account of all monies received as a result of the rate increase should be maintained by the Utility. If a refund is ultimately required, it should be paid with interest calculated pursuant to Rule 25-30.360(4), F.A.C.

The Utility should maintain a record of the amount of the bond, and the amount of revenues that are subject to refund. 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 Clerk's office no later than the 20th of every 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 13: Should Water Oak Utility 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. Water Oak 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 National Association of Regulatory Commissioners (NARUC) Uniform System of Accounts (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. (Cohn)

Staff Analysis: Water Oak 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.

Issue 14: 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, and that the Utility submitted its letter confirming all adjustments to applicable NARUC USOA primary accounts were made. Once these actions are complete, this docket should be closed administratively. (Marquez)

Staff Analysis: 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, and that the Utility submitted its letter confirming all adjustments to applicable NARUC USOA primary accounts were made. Once these actions are complete, this docket should be closed administratively.

SUN COMMUNITIES FINANCE, LLC D/B/A WATER OAK UTILITY		SCHEDULE NO. 1-A	
TEST YEAR ENDED 12/31/2024		DOCKET NO. 20250088-WU	
SCHEDULE OF WATER RATE BASE			
DESCRIPTION	BALANCE PER UTILITY	STAFF ADJUST.	BALANCE PER STAFF
1. UTILITY PLANT IN SERVICE	\$2,925,041	(\$447,693)	\$2,477,349
2. LAND & LAND RIGHTS	73,415	(70,365)	3,050
3. ACCUMULATED DEPRECIATION	(1,092,623)	225,816	(866,807)
4. CIAC	(174,916)	0 (103,929)	(174,916) (278,845)
5. ACCUMULATED AMORTIZATION OF CIAC	174,916	0 (40,325)	174,916 134,591
6. WORKING CAPITAL ALLOWANCE	<u>\$0</u>	<u>\$22,266</u> <u>\$23,052</u>	<u>\$22,266</u> <u>\$23,052</u>
WATER RATE BASE	<u>\$1,905,833</u>	(\$269,976) <u>(\$413,443)</u>	\$1,635,857 <u>\$1,492,390</u>

**SUN COMMUNITIES FINANCE, LLC D/B/A WATER
 OAK UTILITY**

**SCHEDULE NO. 1-B
 DOCKET NO. 20250088-
 WU**

**TEST YEAR ENDED 12/31/2024
 ADJUSTMENTS TO RATE BASE**

WATER

UTILITY PLANT IN SERVICE

1. To reclassify plant additions from Land Account.	\$70,365
2. To reflect averaging adjustments.	(570,871)
3. To reflect pro forma additions.	211,254
4. To reflect pro forma retirements.	(158,441)
Total	<u>(\$447,693)</u>

LAND & LAND RIGHTS

1. To reflect an auditing adjustment.	(\$70,365)
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ACCUMULATED DEPRECIATION

1. To reflect auditing adjustments.	\$11,585
2. To reflect a staff adjustment.	(1,302)
3. To reflect an averaging adjustment.	60,070
4. To reflect pro forma adjustments.	<u>155,463</u>
Total	<u>\$225,816</u>

CIAC

1. <u>To reflect an staff adjustment.</u>	<u>(\$103,929)</u>
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ACCUMULATED AMORTIZATION OF CIAC

1. <u>To reflect an staff adjustment</u>	<u>(\$40,325)</u>
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WORKING CAPITAL ALLOWANCE

To reflect 1/8 of test year O&M expenses.	<u>\$22,266</u> <u>\$23,052</u>
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SUN COMMUNITIES FINANCE, LLC D/B/A WATER OAK UTILITY TEST YEAR ENDED 12/31/2024 SCHEDULE OF CAPITAL STRUCTURE					SCHEDULE NO. 2 DOCKET NO. 20250088-WU	
CAPITAL COMPONENT	PER UTILITY	ADJUST-MENTS	BALANCE PER STAFF	PERCENT OF TOTAL	COST	WEIGHTED COST
1. COMMON EQUITY	<u>\$1,905,833</u>	(\$269,976)	<u>\$1,635,857</u>	<u>100.00%</u>	<u>8.51%</u>	<u>8.51%</u>
		(\$413,443)	<u>\$1,492,390</u>			
TOTAL CAPITAL	<u>\$1,905,833</u>	(\$269,976)	<u>\$1,635,857</u>	<u>100.00%</u>	<u>8.51%</u>	<u>8.51%</u>
		(\$413,443)	<u>\$1,492,390</u>			
		<u>RANGE OF REASONABLENESS</u>			<u>LOW</u>	<u>HIGH</u>
			RETURN ON EQUITY		7.51%	9.51%
			OVERALL RATE OF RETURN		7.51%	9.51%

SUN COMMUNITIES FINANCE, LLC D/B/A WATER OAK UTILITY TEST YEAR ENDED 12/31/2024 SCHEDULE OF WATER OPERATING INCOME				SCHEDULE NO. 3-A DOCKET NO. 20250088-WU	
	TEST YEAR PER UTILITY	STAFF ADJUST- MENTS	STAFF ADJUSTED TEST YEAR	ADJUST FOR INCREASE	REVENUE REQUIREMENT
1. TOTAL OPERATING REVENUES	<u>\$191,134</u>	<u>\$17,196</u>	<u>\$208,330</u>	<u>\$244,100</u> 117.17%	<u>\$452,430</u>
		(\$23,079)	\$168,055	175.17%	\$462,434
OPERATING EXPENSES:					
2. OPERATION & MAINTENANCE	<u>\$216,890</u>	(\$26,935)	<u>\$189,955</u>		<u>\$189,955</u>
		(\$36,008)	\$180,882		\$180,882
3. DEPRECIATION (NET)	107,275	5,544	112,819		112,819
4. <u>AMORTIZATION</u>	<u>0</u>	(6,421)	(6,421)		(6,421)
5. TAXES OTHER THAN INCOME	<u>18,382</u>	(247)	<u>18,135</u>	<u>10,985</u>	<u>29,120</u>
		(2,059)	16,323	13,247	29,570
TOTAL OPERATING EXPENSES	<u>\$342,547</u>	(\$28,059)	<u>\$314,488</u>	<u>\$10,985</u>	<u>\$325,473</u>
		(32,523)	\$310,024	\$13,247	\$323,271
6. OPERATING INCOME / (LOSS)	(\$151,413)		(\$141,969)		<u>\$139,162</u>
			(\$106,158)		\$126,958
7. WATER RATE BASE	\$1,905,833	(\$413,443)	<u>\$1,492,390</u>		<u>\$1,492,390</u>
		(\$269,976)	\$1,635,857		\$1,635,857
8. RATE OF RETURN					8.51%

SUN COMMUNITIES FINANCE, LLC D/B/A WATER OAK UTILITY TEST YEAR ENDED 12/31/2024 ADJUSTMENTS TO OPERATING INCOME		SCHEDULE 3-B DOCKET NO. 20250088-WU
		<u>WATER</u>
OPERATING REVENUES		
1.	To reflect an auditing adjustment to Service Revenues.	(\$23,571)
<u>2.</u>	<u>To reflect the appropriate test year Service Revenues.</u>	<u>40,767</u>
		<u>\$23,571</u>
	Total	<u>\$17,196</u>
OPERATION AND MAINTENANCE EXPENSE		
1.	Salaries and Wages - Employees (601 / 701) To reflect reclassification of payroll taxes to TOTL.	(\$3,669)
2.	Purchased Power (615 / 715)	
	a. To reflect an auditing adjustment.	\$529
	b. To reflect EUW and I&I adjustment.	(4,189) <u>(1,241)</u>
	Subtotal	(\$3,660) <u>(\$712)</u>
3.	Chemicals Expense (618 / 718) To reflect EUW and I&I adjustment.	(\$4,758) <u>(\$1,410)</u>
4.	Materials and Supplies (620 / 720) To reflect an auditing adjustment.	(\$60)
5.	Contractual Services - Professional (631 / 731)	
	a. To reflect an auditing adjustment.	(\$15,870)
	b. To reflect amortization of EPA costs over a 5-year period.	<u>(8,574)</u>
	Subtotal	<u>(\$24,444)</u>
6.	Contractual Services - Other (636 / 736) To reflect an auditing adjustment.	(\$2,175)
7.	Rate Case Expense (665 / 765) To reflect 1/4 rate case expense.	\$2,758 <u>\$5,535</u>
	TOTAL OPERATION AND MAINTENANCE ADJUSTMENTS	(\$36,008) <u>(\$26,935)</u>
DEPRECIATION EXPENSE		
1.	To reflect an auditing adjustment.	(\$39)

SUN COMMUNITIES FINANCE, LLC D/B/A WATER OAK UTILITY		SCHEDULE 3-B
TEST YEAR ENDED 12/31/2024		DOCKET NO. 20250088-WU
ADJUSTMENTS TO OPERATING INCOME		
2.	To reflect a staff adjustment.	2,606
3.	To reflect pro forma additions.	<u>2,977</u>
	Total	<u>\$5,544</u>
<u>AMORTIZATION EXPENSE</u>		
1.	<u>To reflect a staff adjustment.</u>	<u>(\$6,421)</u>
TAXES OTHER THAN INCOME		
1.	To reflect the reclassification of payroll taxes.	\$3,669
2.	To reflect appropriate test year property tax expense.	(5,484)
3.	To reflect appropriate test year RAFs.	(1,039) <u>774</u>
4.	To reflect revenue requirement RAFs.	13,247 <u>10,985</u>
5.	To reflect property taxes associated with pro forma plant additions.	<u>794</u>
	Total	\$11,187 <u>\$10,738</u>
 TOTAL OPERATING EXPENSE ADJUSTMENTS		 (\$19,276) <u>(\$17,073)</u>

SUN COMMUNITIES FINANCE, LLC D/B/A WATER OAK UTILITY		SCHEDULE NO. 3-C		
TEST YEAR ENDED 12/31/2024		DOCKET NO. 20250088-WU		
ANALYSIS OF WATER O&M EXPENSE				
ACCT. #	DESCRIPTION	TOTAL PER UTILITY	STAFF ADJUST- MENT	TOTAL PER STAFF
601	Salaries and Wages - Employees	\$51,843	(\$3,669)	\$48,174
			(3,660)	<u>9,914</u>
615	Purchased Power	13,574	(712)	<u>12,862</u>
			(4,758)	11,261
618	Chemicals	16,019	(1,410)	<u>14,609</u>
620	Materials and Supplies	294	(60)	234
630	Contractual Services - Billing	10,785	0	10,785
631	Contractual Services - Professional	95,324	(24,444)	70,880
635	Contractual Services - Testing	3,629	0	3,629
636	Contractual Services - Other	24,421	(2,175)	22,246
			<u>2,758</u>	<u>2,758</u>
665	Rate Case Expense	0	<u>5,535</u>	<u>5,535</u>
670	Bad Debt Expense	0	0	0
675	Miscellaneous Expenses	<u>1,001</u>	<u>0</u>	<u>1,001</u>
			(\$36,008)	<u>\$180,882</u>
	Total O&M Expense	<u>\$216,890</u>	<u>(\$26,935)</u>	<u>\$189,955</u>
				<u>\$22,266</u>
	Working Capital is 1/8 of O&M Less RCE			<u>\$23,052</u>

SUN COMMUNITIES FINANCE, LLC D/B/A WATER OAK UTILITY		SCHEDULE NO. 4	
TEST YEAR ENDED DECEMBER 31, 2024		DOCKET NO. 20250088-WU	
MONTHLY WATER RATES			
	UTILITY CURRENT RATES	STAFF RECOMMENDED RATES	4-YEAR RATE REDUCTION
<u>Residential & General Service</u>			
Base Facility Charge by Meter Size			
5/8" x 3/4"	\$5.74	\$8.94 \$7.80	\$0.06 \$0.10
3/4"	\$8.61	\$13.41 \$11.70	\$0.09 \$0.15
1"	\$14.35	\$22.35 \$19.50	\$0.14 \$0.25
1-1/2"	\$28.70	\$44.70 \$39.00	\$0.29 \$0.51
2"	\$45.92	\$71.52 \$62.40	\$0.46 \$0.81
3"	\$91.84	\$143.04 \$124.80	\$0.92 \$1.62
4"	\$143.50	\$223.50 \$195.00	\$1.43 \$2.54
6"	\$287.00	\$447.00 \$390.00	\$2.86 \$5.07
Charge per 1,000 gallons - Residential Service			
0 - 3,000 gallons	\$1.07	\$8.85 \$3.65	\$0.06 \$0.05
3,001 - 6,000 gallons	\$1.11	\$13.27 \$5.47	\$0.08 \$0.07
Over 6,000 gallons	\$1.43	\$15.49 \$6.38	\$0.10 \$0.08
Charge per 1,000 gallons - General Service	\$1.17	\$9.42 \$4.45	\$0.06
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>			
3,000 Gallons	\$8.95	\$35.49 \$18.75	-
6,000 Gallons	\$12.28	\$75.30 \$35.16	-
8,000 Gallons	\$15.14	\$106.28 \$47.92	-

NUMBER OF GENERAL SERVICE CUSTOMERS DURING THE TEST YEAR				
ACCOUNT	LOCATION	CUSTOMER	METER	
NUMBER		TYPE	SIZE	
1	<u>9001 A</u>	<u>Guard Shack</u>	<u>Potable</u>	<u>5/8" x 3/4"</u>
2	<u>9010</u>	<u>Administration Office - 216 Magnolia</u>	<u>Potable</u>	<u>5/8" x 3/4"</u>
3	<u>9011</u>	<u>Old Office - 106 Evergreen</u>	<u>Potable</u>	<u>5/8" x 3/4"</u>
4	<u>9016</u>	<u>Park Maintenance Shop</u>	<u>Potable</u>	<u>5/8" x 3/4"</u>
5	<u>1885-001624</u>	<u>409 Fowler Lane - Bathroom</u>	<u>Potable</u>	<u>5/8" x 3/4"</u>
6	<u>9009 A</u>	<u>Ball Park Bathrooms</u>	<u>Potable</u>	<u>1"</u>
7	<u>9005 A</u>	<u>MCH - Right of Lobby</u>	<u>Potable</u>	<u>1 1/2"</u>
8	<u>9005 C</u>	<u>MCH - Bath Houses</u>	<u>Potable</u>	<u>1/12"</u>
9	<u>9003 A</u>	<u>Pro Shop/Restaurant</u>	<u>Potable</u>	<u>2"</u>
10	<u>9004</u>	<u>Satellite Clubhouse - 814 E. Norman</u>	<u>Potable</u>	<u>2"</u>
11	<u>9005 D</u>	<u>MCH - Kitchen</u>	<u>Potable</u>	<u>2"</u>
12		<u>Swimming Pool</u>	<u>Potable</u>	<u>2"</u>
13	<u>9004 A</u>	<u>Satellite Clubhouse</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
14	<u>9010 A</u>	<u>Administration Office</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
15	<u>9010 B</u>	<u>Administration Office</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
16	<u>9011 B</u>	<u>Old Office Front - 216 Magnolia</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
17	<u>9013</u>	<u>Back Gate East</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
18	<u>9014</u>	<u>Back Gate West</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
19	<u>9015</u>	<u>Water Oak Blvd.</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
20	<u>9018</u>	<u>Lift Station 2</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
21	<u>9019</u>	<u>Palmer Mail Center</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
22	<u>9017</u>	<u>Sewer Plant</u>	<u>Irrigation</u>	<u>1"</u>
23	<u>9022</u>	<u>Willow Way</u>	<u>Irrigation</u>	<u>1 1/2"</u>
24	<u>9005 B</u>	<u>MCH - Pool Pump Room</u>	<u>Irrigation</u>	<u>1 1/2"</u>
25	<u>9001</u>	<u>Front Entrance</u>	<u>Irrigation</u>	<u>2"</u>
26	<u>9002</u>	<u>Front Entrance</u>	<u>Irrigation</u>	<u>2"</u>
27	<u>9006</u>	<u>Main Clubhouse</u>	<u>Irrigation</u>	<u>2"</u>
28	<u>9020</u>	<u>Tennis Courts</u>	<u>Irrigation</u>	<u>2"</u>
29	<u>9021</u>	<u>Water Oak Blvd.</u>	<u>Irrigation</u>	<u>2"</u>
30	<u>9006</u>	<u>Main Clubhouse</u>	<u>Irrigation</u>	<u>2"</u>
31	<u>9007</u>	<u>Water Oak Blvd.</u>	<u>Irrigation</u>	<u>2"</u>
32	<u>9008</u>	<u>Water Oak Blvd.</u>	<u>Irrigation</u>	<u>2"</u>
33	<u>9009</u>	<u>Ball Park</u>	<u>Irrigation</u>	<u>2"</u>
34	<u>9012</u>	<u>Front Entrance</u>	<u>Irrigation</u>	<u>2"</u>
35	<u>9005</u>	<u>Main Clubhouse - 415 Water Oak</u>	<u>Irrigation</u>	<u>3"</u>
36	<u>11</u>	<u>225 Sakura Ct (Residential)</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
37	<u>1885-000132</u>	<u>123 Willow Way</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
38	<u>1885-000180</u>	<u>116 Evergreen Lane</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
39	<u>1885-000259</u>	<u>210 Birch St.</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
40	<u>1885-000292</u>	<u>637 Hickory Hill</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
41	<u>1885-000864</u>	<u>207 Littler Lane</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
42	<u>1885-001287</u>	<u>905 Nelson Lane</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
43	<u>1885-001623</u>	<u>402 Palmer Dr.</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
44	<u>2985</u>	<u>530 Rahm Way</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
45	<u>2987</u>	<u>797 Zacharias Ct</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
46	<u>3006</u>	<u>801 Stewart Dr</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
47	<u>3014</u>	<u>879 Stewart Dr</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
48	<u>3027</u>	<u>816 Stewart Dr</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
49	<u>3029</u>	<u>806 Stewart Dr</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>
50	<u>1885-001625</u>	<u>409 Fowler Lane</u>	<u>Irrigation</u>	<u>5/8" x 3/4"</u>

Item 8

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Accounting and Finance (McGowan, D. Buys, Higgins) *MC*
Office of the General Counsel (Bloom) *JSC*

RE: Docket No. 20260006-WS – Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.

AGENDA: 06/02/26 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Payne

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

Section 367.081(4)(f), Florida Statutes (F.S.), authorizes the Florida Public Service Commission (Commission) to establish, not less than once each year, a leverage formula to calculate a reasonable range of returns on equity (ROE) for water and wastewater (WAW) utilities. The original leverage formula methodology was established by Order No. PSC-2001-2514-FOF-WS.¹ On October 23, 2008, the Commission held a formal hearing in Docket No. 20080006-WS to allow interested parties to provide testimony regarding the validity of the original leverage

¹ Order No. PSC-2001-2514-FOF-WS, issued December 24, 2001, in Docket No. 20010006-WS, *In re: Water and wastewater industry annual reestablishment of authorized range of return on common equity of water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.*

formula.² Based on the record in that proceeding, the Commission approved the 2008 leverage formula by Order No. PSC-2008-0846-FOF-WS.³ In that order, the Commission reaffirmed the methodology that was previously approved by Order No. PSC-2001-2514-FOF-WS.⁴

On November 8, 2017, Commission staff held a workshop to solicit input from interested persons regarding potential changes to the then-current leverage formula methodology. The only stakeholders that filed comments in the docket were the Office of Public Counsel (OPC) and Sunshine Water Services Company (formerly Utilities, Inc. of Florida). OPC also filed post-workshop comments on January 31, 2018. On June 26, 2018, the Commission approved the current leverage formula by Order No. PSC-2018-0327-PAA-WS (2018 Order).⁵ The 2018 Order approving the current leverage formula provided necessary and timely updates to the leverage formula methodology.

The Commission has jurisdiction pursuant to Section 367.081, F.S.

² At the May 20, 2008, Commission Conference, upon request of the Office of Public Counsel, the Commission voted to set the establishment of the appropriate leverage formula directly for hearing.

³ Order No. PSC-2008-0846-FOF-WS, issued December 31, 2008, in Docket No. 20080006-WS, *In re: Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.*

⁴ Order No. PSC-2001-2514-FOF-WS.

⁵ Order No. PSC-2018-0327-PAA-WS, issued June 26, 2018, in Docket No. 20180006-WS, *In re: Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.*

Discussion of Issues

Issue 1: What is the appropriate range of returns on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), Florida Statutes?

Recommendation: The appropriate range of returns on common equity is 8.58 percent at 100 percent equity to 10.25 percent at 40 percent equity. This range was determined using the leverage formula methodology approved by Order No. PSC-2018-0327-PAA-WS applied to a proxy group comprised of natural gas and water and wastewater utilities using the most recent financial data. Accordingly, the following leverage formula should be used until this matter is addressed again in 2027:

Return on Common Equity = 7.46% + (1.115 ÷ Equity Ratio)

Where: Equity Ratio = Common Equity ÷ (Common Equity + Preferred Equity + Long-Term Debt + Short-Term Debt)

Range of Returns: 8.58% at 100% equity to 10.25% at 40% equity

The equity ratio should be calculated using the averaging methods pursuant to Rule 25-30.433(5), Florida Administrative Code (F.A.C). Additionally, the Commission should cap returns on common equity at 10.25 percent for all WAW utilities with equity ratios less than 40 percent, which serves to discourage imprudent financial risk. (McGowan)

Staff Analysis: Section 367.081(4)(f), F.S., authorizes the Commission to establish, not less than once each year, a leverage formula to calculate a reasonable range of returns on common equity for WAW utilities. For administrative efficiency, the leverage formula is used to determine the appropriate ROE for an average Florida WAW utility. However, use of the leverage formula by the utilities is discretionary. A utility may file its own cost of equity analysis and testimony in lieu of using the leverage formula. If one or more parties in a rate case or limited proceeding file testimony in lieu of using the leverage formula, the Commission will determine the ROE based on the evidentiary record in that proceeding.

Methodology

In the instant docket, staff updated the current leverage formula using the most recent financial data applied to the methodology approved by Order No. PSC-2001-2514-FOF-WS, reaffirmed by Order No. PSC-2008-0846-FOF-WS, and modified by the 2018 Order. The methodology uses ROEs derived from widely accepted financial models applied to a proxy group of natural gas and WAW companies that have actively traded stock and forecasted financial data. To establish the proxy group, staff selected six natural gas companies and six WAW companies that: (1) are followed by Value Line, (2) pay a dividend, (3) derive at least 50 percent of their total revenue from regulated operations, and (4) have an investment grade Standard & Poor's (S&P) credit rating. The selected proxy group companies have market power, are influenced significantly by economic regulation, and have an average S&P bond rating of "A-."

Consistent with the approved methodology, staff used a market-capitalization-weighted average for: (1) the Discounted Cash Flow (DCF) model results, (2) the Beta values in the Capital Asset Pricing Model (CAPM), and (3) the equity ratio of the proxy group.

Assumed Cost of Debt

Staff used a projected yield on corporate Baa bonds to estimate the bond yield of an average Florida WAW utility in the calculation of the weighted average cost of capital of the proxy group. A projected yield is used because required returns are forward-looking and based on projections.

Consistent with the methodology approved by the 2018 Order, staff used the average of the projected corporate Baa-rated bond yield of 6.350 percent for the upcoming four quarters as published in the May 1, 2026, *Blue Chip Financial Forecasts* (Blue Chip). Staff then added the 120-month historical average spread of 0.115 percent between the Baa and A Corporate Utility Bond yields to the projected corporate Baa-rated bond yield of 6.350 percent to estimate a projected Baa3-rated utility bond yield of 6.46 percent.⁶

Staff added a 50-basis-point adjustment for small-company risk and a 50-basis-point adjustment for a private placement premium to the projected Baa3-rated utility bond yield of 6.46 percent to reflect the risk for a typical Florida WAW utility. Consistent with the methodology approved by the 2018 Order, these adjustments resulted in a projected assumed debt cost rate of 7.46 percent.

$$6.350\% + 0.115\% + 0.50\% + 0.50\% = 7.46\%$$

Estimated Cost of Equity

The current leverage formula relies on two ROE models described below. Staff adjusted the results of these models to reflect differences in risk and debt cost between the proxy group and the average Florida WAW utility. Both ROE models include an adjustment of approximately four percent for flotation costs. The ROE models are as follows:

- 1) A multi-stage DCF model applied to an index of natural gas and WAW utilities that have publicly traded stock and are followed by Value Line. This DCF model is annually compounded and uses prospective dividend growth rates published by Value Line.
- 2) A CAPM that relies on a market return for companies followed by Value Line, the average projected yield on 30-Year U.S. Treasury bonds as of May 1, 2026, as published by Blue Chip, and the weighted average beta for the index of natural gas and WAW utilities. The market return for the CAPM was calculated using a quarterly DCF model with stock prices as of May 4, 2026. Consistent with the Commission's approved methodology since 2001, the CAPM result was adjusted upward by 20 basis points to reflect flotation costs.

⁶ Staff relied on the A- and Baa/BBB-rated Corporate Utility Bond yields published by Value Line from April 2016 through October 2024 (103 months). On November 29, 2024, Value Line discontinued providing corporate utility bond yields in its *Selection & Opinion* publication. For November 2024 through March 2026 (17 months), staff relied on the corporate Aaa and Baa bond yields published by Blue Chip for calculating the 120-month historical average spread.

Consistent with the 2018 Order, staff averaged the results of the DCF and CAPM models and adjusted the result of 8.45 percent as follows:

- 1) A bond yield differential of 34 basis points was added to reflect the difference in yields between an A-/A3 rated bond, which is the median bond rating for the combined utility index, and a BBB-/Baa3 rated bond. Florida WAW utilities are assumed to be comparable to companies with the lowest investment grade bond rating, Baa3. This adjustment compensates for the difference between the credit quality of “A-” rated debt and the assumed lower credit quality of a typical Florida WAW utility.
- 2) A private placement premium of 50 basis points is added to reflect the difference in yields on publicly traded debt and privately placed debt, which is illiquid. Investors require a premium for the lack of liquidity associated with privately placed debt.
- 3) A small-utility risk premium of 50 basis points is added because the average Florida WAW utility is too small to qualify for privately placed debt, and investors consider smaller companies to be riskier than larger companies.

After the above adjustments, the resulting cost of equity estimate of 9.79 percent is included in the weighted average capital structure of the proxy group to derive the leverage formula. The derivation resulted in an adjustment of 46 basis points to reflect an estimated required return of 10.25 percent at an equity ratio of 40 percent. Table 1-1 shows the components that comprise the upper range of the leverage formula.

Table 1-1
Adjusted Return on Equity

DCF Model	7.43%
CAPM	9.47%
Average	8.45%
Bond Yield Differential	0.34%
Private Placement Premium	0.50%
Small-Utility Risk Premium	0.50%
Adjusted ROE Average	9.79%
Adjustment to Reflect Required Equity Return at 40% Equity Ratio	0.46%
Upper Range of ROE	10.25%

Source: Staff Worksheets.

Leverage Formula

Using the most recent financial data in the leverage formula increases the lower end of the current allowed ROE range by 7 basis points and decreases the upper end of the range by 26 basis points. Overall, the spread between the ROE range based on the updated leverage formula is 167 basis points (8.58 percent to 10.25 percent). In comparison, the ROE range for the 2025 leverage formula is 200 basis points (8.51 percent to 10.51 percent). The change in the range from 2025 is due to a decrease of 15 basis points in the average result of the ROE models (8.60

percent to 8.45 percent), a decrease of 2 basis points in the bond differential (36 basis points to 34 basis points), and a decrease of 10 basis points in the adjustment reflecting the required return at a 40 percent equity ratio (56 basis points to 46 basis points).

The leverage formula depends on four basic assumptions:

- 1) Business risk is similar for all WAW utilities;
- 2) The cost of equity is an exponential function of the equity ratio but a linear function of the debt to equity ratio over the relevant range;
- 3) The marginal weighted average cost of investor capital is constant over the equity ratio range of 40 percent to 100 percent; and
- 4) The debt cost rate at an assumed Moody's Baa3 bond rating, plus a 50-basis-point private placement premium and a 50-basis-point small-utility risk premium, represents the average marginal cost of debt to an average Florida WAW utility over an equity ratio range of 40 percent to 100 percent.

For these reasons, the leverage formula is assumed to be appropriate for the average Florida WAW utility.

Based on the aforementioned, staff believes the leverage formula methodology approved by the 2018 Order applied to a proxy group of natural gas and WAW utilities with updated financial data based on market-capitalization-weighted averages, produces a reasonable range of ROEs for WAW utilities and reflects current financial conditions. As such, staff recommends that the following leverage formula be used until a new leverage formula is determined in 2027:

Return on Common Equity = 7.46% + (1.115 ÷ Equity Ratio)

Where: Equity Ratio = Common Equity ÷ (Common Equity + Preferred Equity + Long-Term Debt + Short-Term Debt)

Range of Returns: 8.58% at 100% equity to 10.25% at 40% equity

The equity ratio should be calculated using the averaging methods pursuant to Rule 25-30.433(5), F.A.C. Additionally, the Commission should cap returns on common equity at 10.25 percent for all WAW utilities with equity ratios less than 40 percent, which serves to discourage imprudent financial risk and is consistent with the methodology approved by the 2018 Order.

Issue 2: Should this docket be closed?

Recommendation: No. Upon expiration of the protest period, if a timely protest is not received from a substantially affected person, the decision should become final and effective upon the issuance of a Consummating Order. However, this docket should remain open to allow staff to monitor changes in capital market conditions and to readdress the reasonableness of the leverage formula as conditions warrant. (Bloom)

Staff Analysis: Upon expiration of the protest period, if a timely protest is not received from a substantially affected person, the decision should become final and effective upon the issuance of a Consummating Order. However, this docket should remain open to allow staff to monitor changes in capital market conditions and to readdress the reasonableness of the leverage formula as conditions warrant.

Summary of Results
2026 Water and Wastewater Leverage Formula

	<u>Currently in Effect</u>	<u>Updated Results</u>
(1) DCF ROE for Proxy Group	7.25%	7.43%
(2) CAPM ROE for Proxy Group	<u>9.94%</u>	<u>9.47%</u>
Average	<u>8.60%</u>	<u>8.45%</u>
Bond Yield Differential	0.36%	0.34%
Private Placement Premium	0.50%	0.50%
Small-Utility Risk Premium	0.50%	0.50%
Adjustment to Reflect Required Equity Return at 40% Equity Ratio	<u>0.56%</u>	<u>0.46%</u>
Cost of Equity for Average Florida WAW Utility at 40% Equity Ratio	<u>10.51%</u>	<u>10.25%</u>

2025 Leverage Formula (Currently in Effect)⁷

Return on Common Equity = 7.17% + (1.337 ÷ Equity Ratio)
 Range of Returns on Equity = 8.51% to 10.51%

2026 Proposed Leverage Formula (Updated Results)

Return on Common Equity = 7.46% + (1.115 ÷ Equity Ratio)
 Range of Returns on Equity = 8.58% to 10.25%

⁷ Order No. PSC-2025-0213-PAA-WS, issued June 18, 2025, in Docket No. 20250006-WS, *In re: Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.*

**Marginal Cost of Investor Capital
Average Water and Wastewater Utility**

<u>Capital Component</u>	<u>Ratio</u>	<u>Marginal Cost Rate</u>	<u>Weighted Marginal Cost Rate</u>
Common Equity	47.86%	9.79%	4.69%
Total Debt	<u>52.14%</u>	7.46%*	<u>3.89%</u>
	<u>100.00%</u>		<u>8.58%</u>

A 40% equity ratio is the floor for calculating the required return on common equity.
 The return on equity at a 40% equity ratio: $7.46\% + (1.115 \div 0.40) = 10.25\%$

**Marginal Cost of Investor Capital
Average Water and Wastewater Utility at 40% Equity Ratio**

<u>Capital Component</u>	<u>Ratio</u>	<u>Marginal Cost Rate</u>	<u>Weighted Marginal Cost Rate</u>
Common Equity	40.00%	10.25%	4.10%
Total Debt	<u>60.00%</u>	7.46%*	<u>4.48%</u>
	<u>100.00%</u>		<u>8.58%</u>

*Assumed Baa3 rate for May 2026 plus a 50-basis-point private placement premium and a 50-basis-point small-utility risk premium.

Sources:
Blue Chip Financial Forecasts
 Company 10-K Filings
Value Line Selection & Opinion

Discounted Cash Flow Model Results
April 1, 2026 - April 30, 2026

<u>Company</u>	<u>STOCK PRICE</u>			<u>DCF</u>	<u>Weight</u>	<u>DCF</u>
	<u>High</u>	<u>Low</u>	<u>Avg.</u>	<u>Results</u>		<u>Weighted Results</u>
Atmos Energy Corporation	192.51	181.32	186.92	7.36%	24.97%	1.84%
NiSource Inc.	48.92	46.43	47.68	6.52%	18.66%	1.22%
Northwest Natural Holding	55.99	51.88	53.94	6.97%	1.75%	0.12%
ONE Gas, Inc.	90.78	85.06	87.92	8.47%	4.29%	0.36%
Southwest Gas Holdings	94.41	86.32	90.37	7.33%	5.26%	0.39%
Spire Inc.	95.31	88.40	91.86	8.86%	4.47%	0.40%
American States Water	81.24	74.26	77.75	8.20%	2.54%	0.21%
American Water Works	139.63	126.12	132.88	7.51%	23.22%	1.74%
California Water Service	48.08	41.93	45.01	6.87%	2.37%	0.16%
Essential Utilities, Inc.	41.23	37.54	39.39	8.19%	9.90%	0.81%
H2O America	61.87	55.82	58.85	6.72%	1.75%	0.12%
Middlesex Water	56.30	49.89	53.10	8.62%	0.83%	0.07%
Average Weighted DCF Result:						<u>7.43%</u>

The ROE of 7.43% represents the expected cost of equity required to match the average stock price, less three percent for flotation costs, with the present value of expected cash flows.

Sources:

Stock prices obtained from Yahoo Finance for the 30-day period April 1 through April 30, 2026.
Natural Gas company dividends, earnings, and ROE obtained from *Value Line Ratings & Reports*, issued February 20, 2026.

Water and Wastewater company dividends, earnings, and ROE obtained from *Value Line Ratings & Reports*, issued April 3, 2026.

**Capital Asset Pricing Model Cost of Equity for
Water and Wastewater Industry**

CAPM analysis formula

$$K = RF + \text{Beta} (MR - RF) + 0.20\%$$

$$K = \text{Investor's required rate of return}$$

$$RF = \text{Risk-free rate}$$

(May 2026 Blue Chip forecast for 30-year U.S. Treasury bond yield)

<u>3Q 2026</u>	<u>4Q 2026</u>	<u>1Q 2027</u>	<u>2Q 2027</u>	<u>3Q 2027</u>
4.90%	4.80%	4.80%	4.80%	4.80%

$$\text{Average} = 4.82\%$$

$$\text{Beta} = \text{Measure of industry-specific risk (market-cap-weighted average for the proxy group of natural gas and WAW utilities)}$$

$$MR = \text{Market Return (Value Line Investment Analyzer Web Browser)}$$

$$9.47\% = 4.82\% + 0.802 (10.37\% - 4.82\%) + 0.20\%$$

Note:

Staff calculated the market return using a quarterly DCF model for a large number of dividend paying stocks followed by Value Line. As of May 4, 2026, the result was 10.37%. The market return is adjusted to reflect a flotation cost of three percent for the companies included in the DCF market return calculation. Staff added 20 basis points to the CAPM result to reflect flotation costs for the proxy group.

Bond Yield for Water and Wastewater Industry

Equity Bond Yield Differential Adjustment

<u>Credit Rating</u>	<u>(A)</u>	<u>Spread</u>	<u>(A-)</u>	<u>Spread</u>	<u>(BBB+)</u>	<u>Spread</u>	<u>(BBB)</u>	<u>Spread</u>	<u>(BBB-)</u>
		NA		0.115		0.115		0.115	

120-Month Avg. Spread: 0.115%

Total Equity Bond Yield Differential: $0.115\% \times 3 = 0.345\%$

Blue Chip Financial Forecasts - Corporate Baa Bond Rate

	<u>2Q 2026</u>	<u>3Q 2026</u>	<u>4Q 2026</u>	<u>1Q 2027</u>
Forecast Corporate Baa Bond Yield	6.30%	6.30%	6.40%	6.40%

Average Forecasted Corporate Baa Bond Rate: 6.350%

Assumed Bond Yield for Baa3 Utilities: $0.115\% + 6.350\% = 6.465\%$

	<u>Currently</u>	<u>Updated</u>
	<u>in Effect</u>	<u>Results</u>
Private Placement Premium	0.50%	0.50%
Small-Utility Risk Premium	0.50%	0.50%
Assumed Bond Yield for Baa3 Utilities	<u>6.17%</u>	<u>6.46%</u>
Assumed Bond Yield for Florida WAW Utilities	<u>7.17%</u>	<u>7.46%</u>

Sources:

Value Line Selection & Opinion and *Blue Chip Financial Forecasts* (120-Month Avg. Spread)
Blue Chip Financial Forecasts issued May 1, 2026 (Forecast Corporate Baa Bond Yield)

2026 Leverage Formula Proxy Group

<u>Company</u>	<u>S&P Bond Rating</u>	<u>Regulated Revenue</u>	<u>Value Line Market Capital (in millions)</u>	<u>Equity Ratio</u>	<u>Equity Ratio (Weighted)</u>	<u>Value Line Beta</u>	<u>Value Line Beta (Weighted)</u>
Atmos Energy Corporation	A-	94.10%	\$28,500	60.12%	15.01%	0.80	0.1997
NiSource Inc.	BBB+	98.65%	21,300	41.83%	7.81%	0.85	0.1586
Northwest Natural Holding	A-	88.82%	2,000	36.15%	0.63%	0.80	0.0140
ONE Gas, Inc.	A-	99.09%	4,900	50.49%	2.17%	0.75	0.0322
Southwest Gas Holdings	BBB+	100.00%	6,000	53.03%	2.79%	0.80	0.0420
Spire Inc.	BBB+	89.14%	5,100	39.58%	1.77%	0.75	0.0335
American States Water	A	70.53%	2,900	52.87%	1.34%	0.75	0.0191
American Water Works	A	91.52%	26,500	40.62%	9.43%	0.80	0.1857
California Water Service	A+	97.92%	2,700	51.33%	1.21%	0.75	0.0177
Essential Utilities, Inc.	A-	98.56%	11,300	45.29%	4.48%	0.80	0.0792
H2O America	A-	98.31%	2,000	43.80%	0.77%	0.75	0.0131
Middlesex Water	<u>A</u>	<u>93.33%</u>	<u>950</u>	<u>54.27%</u>	<u>0.45%</u>	<u>0.80</u>	<u>0.0067</u>
Average	A-	93.33%	\$9,513	47.45%	47.86%	0.783	0.802

Sources:
Company 10-K Filings
Standard & Poor's (S&P)
Value Line Ratings & Reports

Item 9

FILED 5/20/2026
DOCUMENT NO. 03028-2026
FPSC - COMMISSION CLERK

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Engineering (Wooten) *TB*
Division of Economics (Hampson) *CP*
Office of the General Counsel (Thompson, Hixon) *JSC*

RE: Docket No. 20260026-GU – Application for rate increase by Florida City Gas.

AGENDA: 06/02/26 – Regular Agenda – Tariff Suspension – Participation is at the Commission’s discretion

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: La Rosa

CRITICAL DATES: 6/19/2026 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

On April 20, 2026, Florida City Gas (FCG or Company) filed a petition seeking the Florida Public Service Commission’s (Commission) approval of a rate increase and associated request for interim rate relief. FCG is a natural gas local distribution company providing sales and transportation of natural gas, and is a public utility subject to this Commission’s regulatory jurisdiction under Section 366.02, Florida Statutes (F.S.). As a subsidiary of Chesapeake Utilities Corporation, FCG currently serves approximately 125,000 residential, commercial, and industrial natural gas customers in Miami-Dade, Broward, St. Lucie, Indian River, Brevard, Palm Beach, Hendry, and Martin counties. The Company’s last rate case was filed on May 31, 2022, and rates were last established by the Commission by order on June 9, 2023, and as subsequently

clarified on October 2, 2023.¹ These orders were subsequently appealed to the Florida Supreme Court by the Office of Public Counsel (OPC), where they currently remain under appeal.²

FCG requested a total base revenue increase of \$63.3 million based on a projected 2027 Test Year, which includes an incremental base rate revenue requirement of \$46.9 million, and the reclassification of the Safety, Access, and Facility Enhancement program revenues in the amount of \$16.4 million from surcharge recovery to base rates, which is ultimately revenue neutral. Pursuant to Sections 366.06(2) and (4), F.S., FCG requested that this rate case proceed under the Commission's hearing process. This recommendation addresses the suspension of FCG's proposed final rates and charges. A recommendation addressing the company's requested interim rate relief will be filed at a later date.

On February 20, 2026, the Commission acknowledged OPC's Notice of Intervention in this proceeding.³ In compliance with Section 366.06(2), F.S., an administrative hearing has been scheduled for September 28 – October 2, 2026.

The Commission has jurisdiction over this request under Section 366.06, F.S.

¹ See Order Nos. PSC-2023-0177-FOF-GU, issued June 9, 2023, and PSC-2023-0299-FOF-GU, issued October 2, 2023, in Docket No. 20220069-GU, *In re: Petition for rate increase by Florida City Gas*.

² Florida Supreme Court Case No. SC2023-0988.

³ Order No. PSC-2026-0051-PCO-GU, issued February 20, 2026, in Docket No. 20260026-GU, *In re: Petition for rate increase by Florida City Gas*.

Discussion of Issues

Issue 1: Should Florida City Gas's (FCG) proposed tariffs to implement the request for a permanent increase in rates and charges be suspended?

Recommendation: Yes. Staff recommends that the proposed tariffs be suspended to allow staff and the parties time to analyze the request and for the Commission to conduct an administrative hearing. (Wooten, Hampson)

Staff Analysis: Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such a change, a reason, or written statement of good cause for doing so within 60 days. Staff recommends that allowing staff and the parties time to analyze the request and for the Commission to conduct an administrative hearing is a good cause consistent with the requirement of Section 366.06(3), F.S.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission's final resolution of the Company's requested rate increase. (Thompson)

Staff Analysis: This docket should remain open pending the Commission's final resolution of the Company's requested rate increase.

Item 10

FILED 5/20/2026
DOCUMENT NO. 03027-2026
FPSC - COMMISSION CLERK

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Engineering (Wooten, Ellis, King, Ramos) *TB*
Division of Accounting and Finance (McClelland, Norris, Swards) *MC*
Division of Economics (Bruce, Chambliss) *CP*
Office of the General Counsel (Bloom) *JSC*

RE: Docket No. 20250146-WS – Joint application for transfer of water and wastewater facilities, water Certificate No. 354-W and wastewater Certificate No. 310-S of Useppa Island Utilities Company, Inc. to UIP Utilities Company, LLC, in Lee County.

AGENDA: 06/02/26 – Regular Agenda – Proposed Agency Action for Issues 2 - 4 - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Clark

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

Useppa Island Utilities Company, Inc. (Useppa, Utility, or Seller) is a Class C water and wastewater utility currently operating in Lee County, on an island off the coast of Fort Myers. Useppa currently provides water and wastewater service to approximately 144 water and 138 wastewater customers. The Utility is in the Southwest Florida Water Management District (SWFWMD). In its 2025 Annual Report, Useppa reported a net operating income of \$114,252.

In 1982, the Florida Public Service Commission (Commission) issued water and wastewater Certificate Nos. 354-W and 310-S to Useppa.¹ The Utility's last staff-assisted rate case (SARC) was in 2015.²

On December 18, 2025, Useppa and UIP Utilities Company, LLC (UIP or Buyer) filed a joint application with the Commission for the transfer of Certificate Nos. 354-W and 310-S from Useppa to UIP. The Utility is wholly owned by Useppa Inn and Dock Company, Ltd., and Useppa Property Company. This joint application would have UIP acquire only the assets used by the Utility to provide regulated utility service, with the Utility's non-regulated assets and operations being transferred to one of Useppa's other subsidiaries. The initial joint application was found to be deficient but was cured by the Buyer on April 6, 2026. Per the agreement, the sale closed on September 22, 2025, with the transfer of the regulated utility assets being subject to Commission approval.

This recommendation addresses the transfer of the Utility's water and wastewater systems and Certificate Nos. 354-W and 310-S and continuation of the Utility's existing rates and charges, the appropriate net book value (NBV) of the water and wastewater systems for transfer purposes, and revision of the miscellaneous service charges and initial customer deposits. The Commission has jurisdiction pursuant to Sections 367.071, 367.121, and 367.081, Florida Statutes (F.S.).

¹ Order No. 10900, issued June 16, 1982, in Docket No. 19810268-WS, *In re: Application of Useppa Island, Inc. for a certificate to operate a water and sewer utility in Lee County, Florida.*

² Order No. PSC-15-0029-PAA-WS, issued January 8, 2015, in Docket No. 20110260-WS, *In re: Application for staff-assisted rate case in Lee County by Useppa Island Utilities Co., Inc.*

Discussion of Issues

Issue 1: Should the transfer of Certificate Nos. 354-W and 310-S from Useppa Island Utilities Company, Inc. to UIP Utilities Company, LLC, in Lee County be approved?

Recommendation: Yes. The transfer of the water and wastewater systems and Certificate Nos. 354-W and 310-S is in the public interest and should be approved effective the date of the Commission's vote. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. With the exception of miscellaneous service charges and the initial customer deposit, the Utility's existing rates and charges should be continued. The Seller is current, with respect to annual reports and regulatory assessment fees (RAFs), through December 31, 2025. Based on the application, the Seller will be responsible for RAFs and annual reports until Commission approval. The Buyer will be responsible for filing annual reports and paying RAFs for all future years. (Wooten, Sowards, Chambliss, Bruce, Bloom)

Staff Analysis:

Legal Standard

Transfers of certificates are governed by Section 367.071, F.S., and by Rule 25-30.037, Florida Administrative Code (F.A.C.). The statute provides that the Commission may approve the transfer if it is in the public interest and the transferee will fulfill the commitments, obligations, and representations of the utility. To demonstrate that the transferee can do so, the rule requires the transferee to show the financial and technical ability to operate the utility.

Analysis

On December 18, 2025, Useppa and UIP filed a joint application for the transfer of Certificate Nos. 354-W and 310-S from Useppa to UIP. Staff reviewed the application and determined that it is in compliance with Section 367.071, F.S., and Commission rules concerning applications for transfer of certificates.

Noticing, Territory, and Land Ownership

UIP provided notice of the application pursuant to Section 367.071, F.S., and Rule 25-30.030, F.A.C. No objections to the transfer were filed, and the time for doing so has expired. The application contains a description of the service territory, which is appended to this recommendation as Attachment A. In its application, UIP provided a copy of a special warranty deed as evidence that the Buyer has the rights to long-term use of the land upon which the treatment facilities are located, pursuant to Rule 25-30.037(2)(s), F.A.C.

Purchase Agreement and Financing

Pursuant to Rule 25-30.037(2)(i) and (j), F.A.C., the application contains a statement regarding financing and a copy of the purchase agreement, which includes the purchase price, terms of payment, and a list of the assets purchased. There are no guaranteed revenue contracts, or customer advances of Useppa that must be disposed of with regard to the transfer. UIP has reviewed all leases and agreements and assumed those agreements. Any customer deposits will be refunded to customers by the Seller prior to the closing. Staff has reviewed the purchase and sale agreement, which stated that the total purchase price for the assets is \$16,000,000 which

includes the entire island resort and all its business, with \$1,752,473.57 allocated to the purchase of the water and wastewater utility assets associated with the regulated Utility. Furthermore, staff's review of the purchase and sale agreement confirmed that the closing took place on September 22, 2025, but the transfer of assets is dependent on Commission approval of the transfer, pursuant to Section 367.071(1), F.S.

Facility Description and Compliance

The water system includes a water treatment plant composed of two wells. The water is treated via chlorination for disinfection, and reverse osmosis for dissolved solids removal. The two wells have capacities of 90 gallons per minute each. The water distribution system extends throughout the service area. UIP provided a copy of the Utility's current consumptive use permit from the SWFWMD.

The wastewater treatment plant (WWTP) is an extended aeration activated sludge plant with a design capacity of 45,000 gallons per day (gpd). The plant is permitted by the Florida Department of Environmental Protection (DEP) to operate at 20,000 gpd, based on the maximum monthly average daily flow. The treatment plant consists of four aeration basins, two clarifiers, three sludge holding tanks, two percolation ponds and two pre-filter chlorine contact chambers. Additionally, there are two lift stations throughout the service territory.

Staff reviewed the most recent DEP sanitary survey, issued on May 8, 2023, which identified nine issues. After the issues were corrected, the facility was determined to be in compliance with the DEP's rules and regulations. Staff also reviewed the results from the Utility's June 20, 2025 water quality tests, including the secondary water quality test. All results were below the DEP's maximum contaminant levels for each primary or secondary contaminant.

Staff reviewed the most recent DEP compliance evaluation inspections for the WWTP. The March 20, 2026, evaluation identified that the Utility had exceeded the effluent quality and flow limits as required by the wastewater facility permit. The Utility explained the exceedance and completed corrective actions prior to the inspection. All deficiencies were corrected, and the WWTP is currently in compliance with the DEP.

Technical and Financial Ability

Pursuant to Rule 25-30.037(2)(m), F.A.C., the application contains statements describing the technical ability of the Buyer to provide service to the proposed service area. UIP's application states that while the company's officer and directors do not have experience operating utilities, they do possess experience in finance, development, capital planning, and system investment decisions. Furthermore, the Buyer plans to use the same contracted operator, U.S. Water Services Corporation, who currently provide routine operation and maintenance of the systems. Billing and customer service is currently handled by the Buyer, and it intends to continue to provide those services. As the operators have experience with the Utility's facilities, it is reasonable for the Buyer to retain the contract.

The Buyer stated that the purchasing entity was created for the purpose of acquiring and operating water and wastewater systems in Florida as a public utility. In its application, the parent company of UIP, Useppa Island Partners, provided financial statements, as well as an affidavit stating its ability and intent to meet all reasonable capital needs arising from the

operation of the Utility. Staff has reviewed the parent company's financial statements. Based on the above, the Buyer has demonstrated the technical and financial ability to provide service to the existing service territory.

Rates, Charges, and Initial Customer Deposits

Useppa Island's rates for both water and wastewater were approved in 2015 in a SARC.³ The rates were amended by a price index in 2019. The miscellaneous service charges were last approved in 2007.⁴ The Utility's initial customer deposits were approved in 1983 for its water and wastewater systems.⁵ The Utility's service availability charges for water and wastewater were approved in 1987.⁶ Rule 25-9.044(1), F.A.C., provides that, in the case of a change of ownership or control of a Utility, the rates, classifications, and regulations of the former owner must continue unless authorized to change by this Commission.

In regard to the Utility's existing miscellaneous service charges, the violation reconnection charge is appropriate. However, the remaining miscellaneous service charges do not conform to Rule 25-30.460, F.A.C., and are discussed in Issue 3. The Utility's initial customer deposits are not consistent with Commission practice, and are discussed in Issue 3. Therefore, staff recommends that the Utility's existing rates, violation reconnection charge, and service availability charges, shown on Schedules Nos. 2-A and 2-B, should remain in effect until a change is authorized by this Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C.

Regulatory Assessment Fees and Annual Report

Staff has verified that the Utility is current on the filing of annual reports and RAFs through December 31, 2025. The Seller will continue to be responsible for filing the Utility's annual reports and paying RAFs, until the closing of the sale has been approved by the Commission. After the approval, the Buyer will be responsible for all future years.

Conclusion

Based on the foregoing, staff recommends that the transfer of the water and wastewater systems and Certificate Nos. 354-W and 310-S is in the public interest and should be approved effective the date of the Commission's vote. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. With the exception of miscellaneous service charges and the initial customer deposit, the Utility's existing rates and charges should be continued. The Seller is current, with respect to annual reports and RAFs, through December 31, 2025. Based on the application, the Seller will be responsible for RAFs and annual reports until Commission approval. The Buyer will be responsible for filing annual reports and paying RAFs for all future years.

³ Order No. PSC-15-0029-PAA-WS.

⁴ Order No. PSC-07-0385-SC-WS, issued May 1, 2007, in Docket No. 20060575-WS, *In re: Application for staff-assisted rate case in Lee County by Useppa Island Utility, Inc.*

⁵ Order No. PSC-93-0930-FOF-WS, issued June 21, 1993, in Docket No. 19921049-WS *In re: Application for staff-assisted rate case in Lee County by Useppa Island Utility, Inc.*

⁶ Order No. 16104, issued May 13, 1986, in Docket No. 19850206-WS, *In re: Application of Useppa Island Utilities, Inc., for Increased Water and Sewer Rates in Lee County, Florida.*

Issue 2: What is the appropriate net book value for UIP Utilities Company, LLC water and wastewater systems for transfer purposes?

Recommendation: The NBV of the water and wastewater system for transfer purposes is \$890,239 for water and \$277,327 for wastewater as of September 22, 2025. Within 90 days of the date of the Final Order, UIP should be required to notify the Commission in writing that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in the Utility's 2026 Annual Report when filed. The Buyer is not requesting a positive acquisition adjustment as part of this transfer docket, but may petition for a for a positive acquisition adjustment within the three years established in Rule 25-30.0371, F.A.C. (Sewards)

Staff Analysis: Rate base for the water and wastewater systems were last established for the Utility as of January 8, 2015, by Order No. PSC-15-0029-PAA-WS.⁷ The purpose of establishing NBV for transfers is to determine whether an acquisition adjustment should be approved. The Buyer has not requested an acquisition adjustment at this time, however, UIP may petition for a for a positive acquisition adjustment within the three years established in Rule 25-30.0371, F.A.C. The NBV does not include normal ratemaking adjustments for used and useful plant or working capital. The Utility's NBV has been updated to reflect balances as of September 22, 2025. In its audit report, audit staff noted that due to a series of issues the Utility was unable to provide the general ledgers from 2011 through 2021. As a result, audit staff relied on the annual report filed with the Commission as the primary source of financial information for those years.

Utility Plant In Service (UPIS)

The Utility's trial balance reflected a plant balance of \$1,082,866 for water and \$847,716 for wastewater as of September 22, 2025. Audit staff recalculated the plant balances and determined the correct balances are \$1,653,668 for water and \$945,028 for wastewater. As a result, water plant should be increased by \$570,802, and wastewater plant should be increased by \$97,312. As such, staff recommends a water plant balance of \$1,653,668 and a wastewater plant balance of \$945,028.

Land

In Order No. PSC-15-00029-PAA-WS, the land balances for water and wastewater were \$10,463 and \$3,487, respectively. Audit staff determined that there have been no additions to land. As such, staff recommends a land balance of \$10,463 for water and a land balance of \$3,487 for wastewater.

Accumulated Depreciation

The Utility's trial balance reflected an accumulated depreciation balance of \$698,515 for water and \$529,172 for wastewater. Audit staff recalculated accumulated depreciation using the audited UPIS plant balances and the depreciation rates established by Rule 25-30.140(2), F.A.C. Audit staff determined accumulated depreciation was understated by \$75,377 for water and \$142,016 for wastewater. As a result, accumulated depreciation should be increased by \$75,377 for water and \$142,016 for wastewater. As such, staff recommends an accumulated depreciation balance of \$773,892 for water and \$671,188 for wastewater, as of September 22, 2025.

⁷ Order No. PSC-15-0029-PAA-WS.

Contributions-in-Aid-of-Construction (CIAC) and Accumulated Amortization of CIAC

In Order No. PSC-15-00029-PAA-WS, the CIAC balances for water and wastewater were fully amortized at \$225,670 and \$230,187, respectively. Staff determined that there have been no additions to CIAC. As such, staff recommends a CIAC and accumulated amortization of CIAC balance of \$225,670 for water and \$230,187 for wastewater.

Net Book Value

The Utility reflected an NBV of \$394,814 for water and \$322,031 for wastewater, as of September 22, 2025. Based on the adjustments above, staff recommends an NBV for the Utility of \$890,239 for water and \$277,327 for wastewater, as of September 22, 2025.

Conclusion

Based on the above, staff recommends that, for transfer purposes, the NBV of the Utility's water system is \$890,239, and the NBV of the wastewater system is \$277,327, as of September 22, 2025. Within 90 days of the date of the final order, the Buyer should be required to notify the Commission in writing that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in the Utility's 2026 Annual Report when filed. The Buyer is not requesting a positive acquisition adjustment as part of this transfer docket, but may petition for a for a positive acquisition adjustment within the three years established in Rule 25-30.0371, F.A.C.

Issue 3: What are the appropriate revisions to miscellaneous service charges for UIP Utilities Company, LLC?

Recommendation: The appropriate revisions to miscellaneous service charges shown on Table 3-2 should be approved. The tariff should be revised to reflect the removal of initial connection and normal reconnection charges. UIP should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(1), F.A.C. UIP should be required to charge the approved miscellaneous services charges until authorized to change them by the Commission in a subsequent proceeding. (Chambliss)

Staff Analysis: The Utility did not request to revise its existing miscellaneous service charges. Section 367.091, F.S., authorizes the Commission to establish, increase, or change a rate or charge other than monthly rates or service availability charges. The Utility’s miscellaneous service charges consist of initial connection and normal reconnection charges. Rule 25-30.460, F.A.C., does not allow for initial connection and normal reconnection charges. The definitions for initial connection charges and normal reconnection charges were subsumed in the definition of the premises visit charge. Therefore, 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. Since the dollar amount did not change, the Utility does not need to send a notice to the customers. The existing charges for water and wastewater needing to be revised are shown below in Table 3-1.

**Table 3-1
 Existing Utility Charges**

	<u>Water Existing</u>		<u>Wastewater Existing</u>	
	<u>Normal Hours</u>	<u>After Hours</u>	<u>Normal Hours</u>	<u>After Hours</u>
Initial Connection Charge	\$22.00	N/A	\$22.00	N/A
Normal Reconnection Charge	\$22.00	\$44.00	\$22.00	\$44.00
Premises Visit Charge	\$22.00	\$44.00	\$22.00	\$44.00

**Table 3-2
 Staff’s Recommended Charges**

	<u>Water Staff Recommended</u>		<u>Wastewater Staff Recommended</u>	
	<u>Normal Hours</u>	<u>After Hours</u>	<u>Normal Hours</u>	<u>After Hours</u>
Initial Connection Charge	N/A	N/A	N/A	N/A
Normal Reconnection Charge	N/A	N/A	N/A	N/A
Premises Visit Charge	\$22.00	\$44.00	\$22.00	\$44.00

Conclusion

Based on the above, staff recommends the miscellaneous service charges be revised to conform with Rule 25-30.460, F.A.C. The tariff should be revised to reflect the removal of initial connection and normal reconnection charges. UIP should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(1), F.A.C. UIP should be required to charge the approved miscellaneous services charges until authorized to change them by the Commission in a subsequent proceeding.

Issue 4: Should Useppa Island's initial customer deposits be revised?

Recommendation: Yes. The appropriate initial customer deposits are \$150 for the residential 5/8 inch x 3/4 inch meter size for water, and \$228 for wastewater. The initial customer deposits for all other residential meter sizes and all general service meter sizes for water and wastewater should be two times the average estimated bill. The approved initial customer deposits should be effective for service rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. UIP should be required to collect the approved deposits until authorized to change them by the Commission in a subsequent proceeding. (Chambliss)

Staff Analysis: The Utility currently charges initial customer deposits of \$100 for the 5/8 inch x 3/4 inch meter size, and a specific dollar amount for all other residential and general services meter sizes, which are not equal to two times an average monthly bill. Rule 25-30.311, F.A.C., contains criteria for collecting, administering, and refunding customer deposits. Rule 25-30.311(1), F.A.C., requires that each company's tariff shall contain its specific criteria for determining the amount of initial deposits.

Rule 25-30.311(7), F.A.C., authorizes utilities to collect new or additional deposits from existing customers not to exceed an amount equal to the average actual charge for water and/or wastewater service for two billing periods for the 12-month period immediately prior to the date of notice. The two billing periods reflect the lag time between the customer's usage and the Utility's collection of the revenues associated with that usage. Commission practice has been to set initial customer deposits equal to two months bills based on the average consumption for a 12-month period for each class of customers. The Utility provided average consumption of 5,180 gallons for residential water. Based on average residential usage, staff determined the average residential monthly bill is approximately \$75 for water service and \$114 for wastewater service.

Based on the above, the appropriate initial customer deposits are \$150 for the residential 5/8 inch x 3/4 inch meter size for water and \$228 for wastewater. The initial customer deposit for all other residential meter sizes and all general service meter sizes for water and wastewater should be two times the average estimated bill. The approved initial customer deposits should be effective for service rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. UIP should be required to collect the approved deposits until authorized to change them by the Commission in a subsequent proceeding.

Issue 5: Should this docket be closed?

Recommendation: Yes. If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively upon Commission staff's verification that the revised tariff sheets have been filed, that proof has been provided that appropriate noticing has been done pursuant to Rule 25-30.475, F.A.C., the Buyer has notified the Commission in writing that it has adjusted its books in accordance with the Commission's decision, and that the Buyer has submitted a copy of its application for permit transfer to the DEP. (Bloom)

Staff Analysis: If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively upon Commission staff's verification that the revised tariff sheets have been filed, that proof has been provided that appropriate noticing has been done pursuant to Rule 25-30.475, F.A.C., the Buyer has notified the Commission in writing that it has adjusted its books in accordance with the Commission's decision, and that the Buyer has submitted a copy of its application for permit transfer to the DEP.

UIP Utilities Company, LLC
Water and Wastewater Territory Description

TOWNSHIP 44 SOUTH, RANGE 21 EAST

SECTION 9

THE ENTIRE USEPPA ISLAND GENERALLY DESCRIBED AS BEING APPROXIMATELY THREE (3) MILES WEST OF PINE ISLAND, AND APPROXIMATELY TEN (10) MILES NORTHWEST OF SANIBEL ISLAND, APPROXIMATELY TWO (2) MILES EAST OF CAYO COSTA AND APPROXIMATELY FIVE (5) MILES NORTHWEST OF CAPE CORAL IN PINE ISLAND SOUND.

FLORIDA PUBLIC SERVICE COMMISSION
Authorizes
UIP Utilities Company, LLC
pursuant to
Certificate Number 354-W

to provide water service in Lee 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>
10900	06/16/1982	810268-WS	Original Certificate
*	*	20250146 -WS	Transfer of Certificate

***Order Number and date to be provided at time of issuance.**

FLORIDA PUBLIC SERVICE COMMISSION
Authorizes
UIP Utilities Company, LLC
pursuant to
Certificate Number 310-S

to provide wastewater service in Lee 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>
10900	06/16/1982	810268-WS	Original Certificate
*	*	20250146 -WS	Transfer of Certificate

***Order Number and date to be provided at time of issuance.**

UIP Utilities Company, LLC

Schedule of Water Net Book Value as of September 22, 2025

<u>Description</u>	<u>Balance Per Utility 09/22/25</u>	<u>Adjustments</u>		<u>Balance Per Staff 09/22/25</u>
Utility Plant in Service	\$1,082,866	\$570,802	A	\$1,653,668
Land & Land Rights	10,463	0		10,463
Accumulated Depreciation	(698,515)	(75,377)	B	(773,892)
CIAC	(225,670)	0		(225,670)
Amortization of CIAC	<u>225,670</u>	<u>0</u>		<u>225,670</u>
Net Book Value	<u>\$394,814</u>	<u>\$495,425</u>		<u>\$890,239</u>

UIP Utilities Company, LLC

**Explanation of Adjustments to Water Net Book Value as of
September 22, 2025**

Explanation	Amount
A. UPIS To reflect the appropriate balance.	\$570,802
B. Accumulated Depreciation To reflect the appropriate balance.	<u>(75,377)</u>
Total Adjustments to Water Net Book Value as of September 22, 2025	<u>\$495,425</u>

UIP Utilities Company, LLC

Schedule of Wastewater Net Book Value as of September 22, 2025

<u>Description</u>	<u>Balance Per Utility 09/22/25</u>	<u>Adjustments</u>		<u>Balance Per Staff 09/22/25</u>
Utility Plant in Service	\$847,716	\$97,312	A	\$945,028
Land & Land Rights	3,487	0		3,487
Accumulated Depreciation	(529,172)	(142,016)	B	(671,188)
CIAC	(230,187)	0		(230,187)
Amortization of CIAC	<u>230,187</u>	<u>0</u>		<u>230,187</u>
Net Book Value	<u>\$322,031</u>	<u>(\$44,704)</u>		<u>\$277,327</u>

UIP Utilities Company, LLC

**Explanation of Adjustments to Wastewater Net Book Value as of
September 22, 2025**

Explanation	Amount
A. UPIS To reflect the appropriate balance.	\$97,312
B. Accumulated Depreciation To reflect the appropriate balance.	<u>(142,016)</u>
Total Adjustments to Wastewater Net Book Value as of September 22, 2025	<u>(\$44,704)</u>

UIP Utilities Company, LLC

**Schedule of Staff's Recommended Water Account Balances as of
 September 22, 2025**

Account No.	Description	UPIS	Accumulated Depreciation
304	Structures & Improvements	\$167,782	(\$58,625)
307	Wells and Springs	336,123	(135,449)
309	Supply Mains	2,326	(164)
311	Pumping Equipment	181,917	(85,818)
320	Water Treatment Equipment	281,703	(205,054)
320.2	Water Treatment Equipment - Membranes	12,300	(12,300)
330	Distribution Reservoirs & Standpipes	498,314	(155,102)
331	Transmission & Distribution Mains	102,027	(66,985)
333	Services	3,020	(3,020)
334	Meters & Meter Installations	58,783	(44,378)
339	Miscellaneous Equipment	2,485	(2,485)
340	Office Furniture & Equipment	115	357
341	Transportation Equipment	800	(800)
343	Tolls, Shop & Garage Equipment	1,857	(1,857)
344	Laboratory Equipment	1,360	(1,360)
345	Power Operated Equipment	<u>2,756</u>	<u>(851)</u>
	Total	<u>\$1,653,668</u>	<u>(\$773,892)</u>

UIP Utilities Company, LLC

**Schedule of Staff's Recommended Wastewater Account Balances as of
September 22, 2025**

Account No.	Description	UPIS	Accumulated Depreciation
354	Structure and Improvements	\$351,266	(\$237,921)
355	Power Generation Equipment	47,221	(22,400)
360	Collection Sewers - Force	190,755	(140,385)
361	Collection Sewers - Gravity	377	(298)
363	Service to Customers	2,815	(1,291)
364	Flow Measuring Devices	888	(888)
370	Receiving Wells	145,649	(85,111)
380	Treatment & Disposal Equipment	172,315	(150,128)
389	Other Plant & Misc. Equipment	32,429	(32,032)
390	Office Furniture & Equipment	113	467
391	Transportation Equipment	<u>1,200</u>	<u>(1,200)</u>
	Total	<u>\$945,028</u>	<u>(\$671,188)</u>

UIP Utilities Company, LLC

Existing Monthly Water Rates

Residential and General Service

Base Facility Charge by Meter Size

5/8" X 3/4"	\$38.13
3/4"	\$57.20
1"	\$95.33
1 1/2"	\$190.65
2"	\$305.04
3"	\$610.08
4"	\$953.25
6"	\$1,906.50
8"	\$3,050.40
Charge Per 1,000 gallons	\$7.16

Miscellaneous Service Charges

Violation Reconnection Charge	\$22.00
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Service Availability Charges

Customer Connection (Tap-in) Charge

5/8" x 3/4"	\$115.00
1"	\$115.00
1 1/2"	\$120.00
2"	\$120.00
Over 2"	Actual Cost

Inspection Charge

Actual Cost

Plant Review Charge

Actual Cost

Meter Installation Charge

5/8" x 3/4"	\$105.00
1"	\$105.00
1 1/2"	\$230.00
2"	\$350.00
Over 2"	Actual Cost

UIP Utilities Company, LLC

Existing Monthly Wastewater Rates

General Service

Base Facility Charge by Meter Size

5/8" X 3/4"	\$52.68
3/4"	\$79.02
1"	\$131.70
1 1/2"	\$263.40
2"	\$421.44
3"	\$842.88
4"	\$1,317.00
6"	\$2,634.00
8"	\$4,214.40

Charge Per 1,000 gallons \$14.28

Residential Service

Base Facility Charge by Meter Size

All Meter Sizes \$52.68

Charge per 1,000 gallons \$11.90
6,000 gallon cap

Item 11

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Kunkler, Wu, Barrett, Clark, Pope) *EJD*
Division of Accounting and Finance (Buys, DSa, Higgins) *MAC*
Office of the General Counsel (Bloom, Crawford) *JSC*

RE: Docket No. 20250143-EI – Petition for approval of 2025 nuclear decommissioning study, by Florida Power & Light Company.

AGENDA: 06/02/26 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Payne

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On December 12, 2025, Florida Power & Light Company (FPL or the Company) filed its 2025 Nuclear Decommissioning Cost Study (2025 study or current study) for Turkey Point Nuclear Generating Station (Turkey Point) Units 3 and 4 and St. Lucie Nuclear Power Plant (St. Lucie) Units 1 and 2.

Rule 25-6.04365, Florida Administrative Code (F.A.C.), requires that any utility under the Florida Public Service Commission's (Commission) jurisdiction that owns a nuclear generating unit file a site-specific decommissioning cost study at least once every five years. The purpose of periodic decommissioning reviews is to recognize changes and developments affecting decommissioning cost estimates of the Company's nuclear units and to also consider factors such as improvements in technology, regulatory changes that have transpired since the last decommissioning study, and any relevant additional updates and information. An explanation of the basic concepts surrounding a decommissioning study follows.

Nuclear Decommissioning

Decommissioning involves the physical dismantling and removing of plant buildings, materials, and equipment that are no longer used and useful, but remain following the retirement of a nuclear generating unit. With respect to the funding of decommissioning activities, the Nuclear Regulatory Commission's (NRC) Rule, 10 C.F.R. Section 50.75, requires that licensees provide reasonable financial assurance that funds will be available for decommissioning through prepayment prior to the start of operation, an external sinking fund or a surety method, insurance, or other guarantee method. An external sinking fund is defined as:

A fund established and maintained by setting funds aside periodically in an account segregated from licensee assets and outside the administrative control of the licensee and its subsidiaries or affiliates in which the total amount of funds would be sufficient to pay decommissioning costs at the time permanent termination of operations is expected. An external sinking fund may be in the form of a trust, escrow account, or Government fund, with payment by certificate of deposit, deposit of Government or other securities.¹

FPL's funding program has historically provided for financial assurance through contributions to its nuclear decommissioning trust (NDT) funds. As discussed later, the Company's currently authorized annual base rate decommissioning contribution (Accrual) is set at zero dollars per year.² Thus, financial assurance standards have been satisfied solely by fund growth since 2005.

In 1989, the Commission approved the external sinking funding method by Order No. 21928.³ In determining the annual provision for decommissioning, the current cost estimate is escalated to the expected dates of actual decommissioning. The escalation rate used is determined by using a combination of general economic inflation rates and inflation rates for decommissioning labor, transportation, and burial of nuclear waste. Once the escalated decommissioning cost is known, a sinking fund annuity is calculated to determine the annual annuity. This annual annuity plus the earnings on the nuclear decommissioning trust (NDT) fund, net of taxes, will grow to the escalated cost of decommissioning.

The primary objective of a NDT fund is to have enough money on hand at the time of decommissioning to meet all required expenses at the lowest possible cost to utility ratepayers. No set of investment policies will meet this goal with certainty. The management of the fund, therefore, must be concerned with both the preservation of contributions and the purchasing power of the contributions. To this end, the Commission, by Order No. 21928, required that the fund's assets earn a consistent positive real return over a market cycle.⁴ The imposed minimum

¹ 10 C.F.R. § 50.75(e)(1)(ii).

² Order No. PSC-05-0902-S-EI, issued September 14, 2005, in Docket No. 050045-EI, *In re: Petition for rate increase by Florida Power & Light Company*; and Docket No. 050188-EI, *In re: 2005 comprehensive depreciation study by Florida Power & Light Company*.

³ Order No. 21928, issued September 21, 1989, in Docket No. 870098-EI, *In re: Petitions for approval of an increase in the accrual of nuclear decommissioning costs by Florida Power Corporation and Florida Power & Light Company*.

⁴ *Id.*

fund earnings rate is at least the rate of inflation measured by the Consumer Price Index (CPI) over each five-year review period.

Considerations for the treatment of spent fuel generated during the operation of FPL's nuclear units first appeared in FPL's 1994 Nuclear Decommissioning Cost Study (1994 study).⁵ While the storage and disposal of spent nuclear fuel (SNF) assemblies generated during plant operations were not considered a decommissioning expense, the presence of SNF on-site does impact the cost of decommissioning. Faced with the uncertainties of the Department of Energy (DOE) meeting its 1998 deadline for the acceptance of SNF (see next section below), the Commission recognized that SNF may have to remain on-site long after decommissioning begins. For this reason, an allowance for on-site dry storage costs was made in determining decommissioning accruals for each nuclear unit.

The primary goal in requiring an on-site dry storage allowance was to ensure that the funds needed to fully decommission FPL's nuclear units are available when the plants retire, while being recovered from customers who received nuclear generated energy. The Commission found that these costs should continue to be reviewed to determine the prudence of their inclusion in decommissioning accruals. Staff notes that FPL's 2025 study does include provisions for on-site SNF management, which are further discussed in Issue 1.

Uncertainty Regarding DOE Obligations

The Nuclear Waste Policy Act of 1982 committed the DOE to accept and dispose of SNF and high-level radioactive waste (HLRW). The acceptance and disposal of SNF and HLRW by the DOE was to begin by January 31, 1998, as stipulated under its Standard Disposal Contract with waste generators. With respect to a final SNF repository, the DOE submitted its license application to the NRC on June 3, 2008, seeking authorization to construct a storage facility located at Yucca Mountain, Nevada.

The NRC formally docketed DOE's license application for the Yucca Mountain Repository on September 8, 2008, triggering a congressional deadline for the NRC to decide whether to authorize construction. The review was suspended in 2011, prompting legal action, and in 2013 the U.S. Court of Appeals ordered the NRC to resume the review. The NRC later issued final Safety Evaluation Report volumes in 2015 and an Environmental Impact Statement supplement in 2016.⁶ However, due to continued political opposition, lack of congressional funding, and limited federal support, the licensing process has remained effectively stalled for nearly a decade.

⁵ Order No. PSC-95-1531-FOF-EI, issued December 12, 1995, in Docket No. 941350-EI, *In re: Petition for increase in annual accrual for Turkey Point and St. Lucie nuclear unit decommissioning costs by Florida Power & Light Company*; and Docket No. 941352-EI, *In re: Petition for Approval of Increase In Accrual for Nuclear Decommissioning Costs by Florida Power Corporation*.

⁶ The NRC's Yucca Mountain Repository Safety Evaluation Report details the evaluation of the DOE's license application for a construction authorization. The NRC's Environmental Impact Statement supplement examines the potential environmental impacts with respect to potential contaminant releases from the geologic repository for SNF and HLRW at Yucca Mountain, Nye County, Nevada.

Separate and apart from the Yucca Mountain license application and NRC reviews, in January 2013, the DOE released its “Strategy for Management and Disposal of Used Nuclear Fuel and High-Level Radioactive Waste.” This serves as a statement of its policy regarding the disposition of used nuclear fuel and HLRW.⁷ Under this strategy, the DOE plans to make “demonstrable progress on the siting and characterization of repository sites to facilitate the availability of a geologic repository by 2048.”⁸ Recently, the DOE has been pursuing a “consent-based siting” approach, in which states must voluntarily agree to host nuclear waste sites, in exchange for “federal support and help attracting investment towards developing nuclear power plants.”⁹ Staff understands that the ultimate purpose of this policy direction and approach is to establish a number of high-level nuclear waste sites specializing in specific classes of waste. However, to date, no national or regional repositories have been identified and fully licensed to receive commercial SNF or HLRW.

Due to the DOE’s non-performance of terms contained in the Standard Disposal Contract with FPL, litigation was brought by the Company against the federal government. Ultimately, in 2009, FPL entered into a settlement agreement with the federal government for damages incurred relating to SNF storage and management.¹⁰ As part of the settlement agreement, the Company receives annual payments to cover the costs incurred for managing and storing SNF that it would otherwise not have incurred if the original terms of its Standard Disposal Contract with the DOE had been met. FPL is currently projecting that SNF management costs incurred before years 2066 at Turkey Point and 2070 at St. Lucie, are eligible for reimbursement, and the credits are included as part of this current study, consistent with the Company’s 2020 Study. From 1997 through 2020, the federal government has reimbursed FPL \$352,811,616 for storing and managing SNF,¹¹ with FPL’s reimbursement requests for years 2021-2024 still pending.¹²

End of Life Materials and Supplies and Last Core of Nuclear Fuel

In the review of FPL’s 1998 Nuclear Decommissioning Cost Study (1998 study), the Commission addressed, for the first time, recovery of nuclear materials and supplies (M&S) costs,¹³ as well as the costs of unburned nuclear fuel (Last Core)¹⁴ expected to remain at the end

⁷ U.S. Department of Energy, “Strategy for the Management and Disposal of Used Nuclear Fuel and High-Level Radioactive Waste,” January 2013.

⁸ *Id.*

⁹ Timothy Gardner, “US seeks interest from states in nuclear waste and reprocessing sites,” *Reuters*, January 28, 2026, <https://www.reuters.com/sustainability/climate-energy/us-seeks-interest-states-nuclear-waste-reprocessing-sites-2026-01-28/>.

¹⁰ Order No. PSC-16-0560-AS-EI, issued December 15, 2016, in Docket No. 160021-EI, *In re: Petition for rate increase by Florida Power & Light Company*; Docket No. 160061-EI, *In re: Petition for approval of 2016-2018 storm hardening plan, by Florida Power & Light Company*; Docket No. 160062-EI, *In re: 2016 depreciation and dismantlement study by Florida Power & Light Company*; and Docket No. 160088-EI *In re: Petition for limited proceeding to modify and continue incentive mechanism, by Florida Power & Light Company*.

¹¹ FPL’s Responses to Staff’s Second Data Request, No. 37, filed March 05, 2026.

¹² *Id.* at No. 33 (detailing how FPL has outstanding DOE reimbursement claims related to SNF management costs incurred during 2021–2023 and is currently engaged in settlement discussions with the DOE regarding those claims. The 2024 reimbursement claim has been submitted; however, the DOE has deferred issuing its findings until the 2021–2023 claims are resolved.).

¹³ EOL M&S inventories are the level of unique inventories that will remain at the end of each nuclear site’s life (license expiration of the last nuclear unit at the site).

of each generating unit's life (EOL). The Commission found that these costs are unique to a nuclear unit and are the direct result of unit shut down.¹⁵ However, the Commission also recognized that these costs do not meet the intent of nuclear decommissioning because they do not involve the removal of plant facilities. The Commission concluded that the costs associated with EOL M&S inventories and Last Core should be amortized over the remaining life span¹⁶ of each unit. The Commission found that amortizing EOL M&S and Last Core costs over the remaining life span of each plant allocates the costs to customers receiving nuclear generated power.

The Commission ordered that the amortization of costs associated with EOL M&S inventories be accounted for as a debit (increase) to nuclear maintenance expense with a corresponding credit to an unfunded Account 228 reserve. For costs associated with the Last Core, the Commission ordered that the amortization should be recorded as a base rate fuel expense with a credit to an unfunded Account 228 reserve.¹⁷ Finally, the Commission found that the costs associated with EOL M&S and the Last Core should be addressed in subsequent decommissioning studies so that the related annual amortization expenses could be revised, if warranted. Staff notes FPL has provided updates for its respective EOL M&S and Last Core costs in the current study. These updated costs and amortizations are further discussed in Issues 3 and 4.

Recent Decommissioning Orders Pertaining to FPL

By Order No. PSC-05-0902-S-EI, issued September 14, 2005, the Commission approved a Settlement Agreement that suspended FPL's then annual nuclear decommissioning accrual.¹⁸ Per the terms of the Stipulation and Settlement, FPL was to file a decommissioning study on or before December 31, 2005, and the results of the study would have no impact on customer rates for the term of the Settlement. FPL's annual base rate nuclear decommissioning accrual (which is exclusive of EOL M&S and Last Core amortization expenses) has remained at zero dollars per year from 2005 forward.

FPL's last decommissioning proceeding, in accordance with Rule 25-6.04365, F.A.C., occurred in 2020. The Company's cost analysis and continuation of a zero annual accrual was approved by Order No. PSC-2021-0232-PAA-EI (issued in Docket No. 20200257-EI).¹⁹ FPL's current study is similar to its 2020 Decommissioning Study (2020 study or prior study) in terms of the general scope of decommissioning and plant inventory levels.

The Commission is vested with jurisdiction over these matters through several provisions of Chapter 366, Florida Statutes (F.S.), including Sections 366.04, 366.05, and 366.06.

¹⁴ The Last Core is the unburned fuel that will remain in the fuel assemblies at the end of the last operating cycle of each nuclear unit when it ceases operation.

¹⁵ Order No. PSC-02-0055-PAA-EI, issued January 7, 2002, in Docket No. 991931-EG, *In re: Determination of appropriate method of recovery for the last core of nuclear fuel for Florida Power & Light Company and Florida Power Corporation*.

¹⁶ Remaining life span for each nuclear unit is the period of years from the decommissioning study date to the nuclear license expiration date.

¹⁷ Order No. PSC-02-0055-PAA-EI.

¹⁸ Order No. PSC-05-0902-S-EI.

¹⁹ Order No. PSC-2021-0232-PAA-EI, issued June 28, 2021, in Docket No. 20200257-EI, *In re: Petition for approval of 2020 nuclear decommissioning study, by Florida Power & Light Company*.

Discussion of Issues

Issue 1: What are the current total estimated costs to decommission Florida Power & Light Company's Turkey Point Nuclear Units 3 and 4, and St. Lucie Nuclear Units 1 and 2, valued in 2025 dollar terms?

Recommendation: FPL's total current estimated decommissioning costs of \$1,566,148,000, for Turkey Point Nuclear Units 3 and 4 and \$1,904,787,000 for St. Lucie Nuclear Units 1 and 2, in 2025 dollars, are reasonable. (Kunkler)

Staff Analysis: The purpose of FPL's updated site-specific decommissioning cost study is to recognize changes and developments affecting decommissioning cost estimates of the Company's nuclear units and to also consider such factors as improvements in technology, regulatory changes that have transpired since the last decommissioning study and review in 2020, and any relevant additional updates and information.

Operating License

FPL's Turkey Point began service in 1972 (Unit 3) and 1973 (Unit 4). St. Lucie began service in 1976 (Unit 1) and 1983 (Unit 2). All four units were originally licensed by the NRC to operate for a maximum of forty years, but have received subsequent license renewals from the NRC, allowing continued operation. The most current license extension for Turkey Point Units 3 and 4 was approved by the NRC in December 2019,²⁰ while the most current license extension for St. Lucie Units 1 and 2 was recently approved by the NRC in April of this year.²¹ The current study reflects FPL's 20-year license extensions for both units at the St. Lucie, shifting decommissioning later than assumed in its 2020 study and thereby extending the period over which costs are escalated and trust fund earnings accrue. For the purposes of the current study, FPL assumes all units will operate through their respective license expiration dates, which are as follows:

- Turkey Point Unit 3 - July 19, 2052
- Turkey Point Unit 4 - April 10, 2053
- St. Lucie Unit 1 - March 1, 2056
- St. Lucie Unit 2 - April 6, 2063

Decommissioning Methods

The NRC accepts the following three decommissioning methods: prompt removal/dismantling (DECON), mothballing with delayed dismantling (SAFSTOR), and entombment. Consistent with the 2020 study, the 2025 study continues to utilize a combination of DECON and

²⁰ David Drucker, U.S Nuclear Regulatory Commission, letter to Mr. Mano Nazar, Florida Power & Light Company, December 4, 2019, Adams Ascension No. ML19305C879
<https://www.nrc.gov/docs/ML1930/ML19305C879.pdf>

²¹ Michele Sampson, U.S Nuclear Regulatory Commission, letter to Mr. Robert Coffey, Florida Power & Light Company, April 28, 2026, Adams Ascension No. ML26026A008
<https://www.nrc.gov/docs/ML2602/ML26026A008.pdf>

SAFSTOR decommissioning methods. FPL selected DECON for the Turkey Point units because this method provides the lowest cost and employs those individuals familiar with the nuclear facility to support the dismantling effort. Further, DECON eliminates a potential long-term safety hazard and relieves the Company of the long-term obligation and liability for continuing maintenance of the property. For the St. Lucie units, due to the timing difference in operating license expiration dates, a hybrid approach (SAFSTOR for Unit 1 followed by concurrent DECON of both units) is utilized. This allows for a one-time mobilization of contractor personnel and equipment by mothballing Unit 1 until the expiration of Unit 2's license.

The Company projects that SNF will remain at each plant site after the majority of nuclear facilities have been removed. Staff notes that in order for a nuclear plant to be considered fully decommissioned, no on-site SNF may be present. Consistent with the Company's 2020 study, the current study includes the costs associated with interim storage of SNF, via Independent Spent Fuel Storage Installations (ISFSIs), until the DOE is able to accept SNF from the sites. The DOE is expected to make payments to FPL to cover SNF management costs incurred by FPL prior to 2070 for St. Lucie and 2066 for Turkey Point. FPL projects all SNF will be transferred from the on-site ISFSI to the DOE by 2072 for Turkey Point and by 2082 for St. Lucie.

In addition, FPL is required to submit a License Termination Plan (LTP) to the NRC toward the end of the decommissioning process. Once the physical decommissioning process (including removal of SNF and storage facilities) is complete, the NRC will determine if site remediation has been performed in accordance with the LTP; and if envisioned by the LTP, the site will be released by the NRC for unrestricted use.²² Staff notes that FPL's current decommissioning study assumes site remediation to the level of unrestricted use. At this point, the nuclear license will be terminated, thus concluding NRC oversight.

Decommissioning Cost Estimates

FPL commissioned EnergySolutions, LLC, to develop the decommissioning cost estimates for its 2025 study. EnergySolutions utilized the decommissioning cost model based on the fundamentals laid out in the Atomic Industrial Forum/National Environmental Studies Project Report AIF/NESP-036, "Guidelines for Producing Commercial Nuclear Power Plant Decommissioning Cost Estimates," and in accordance with NRC Regulatory Guide 1.202, "Standard Format and Content of Decommissioning Cost Estimates for Nuclear Power Reactors."

The major decommissioning cost drivers in FPL's 2025 study are: program management (staffing/labor), insurance and regulatory fees, site security, spent fuel management, waste packaging/transportation/disposal, site characterization and license termination surveys, energy costs, decontamination and removal-related activities, and low-level radioactive waste (LLRW) inspection fees. The cost estimates incorporate site-specific plant systems and building inventories, proprietary unit cost factors,²³ historical data, project execution strategies, waste

²² 10 C.F.R. § 20.1401 - § 20.1406 (2026).

²³ Unit cost factors are developed for activities such as concrete and steel removal, cutting, demolition, transportation, and waste disposal using local labor rates. These costs are estimated on a per-unit basis, such as per cut, per cubic yard demolished, per ton removed, or per disposal trip. The resulting unit cost factors are then applied to the plant inventory of equipment and structures to be removed to develop an overall cost estimate.

volumes/classifications, estimated man-hours, and local labor rates. Contingencies (typically 10–25%) and jurisdictional factors (e.g., 95.89%) are applied as appropriate.

The total estimated cost to decommission Turkey Point has increased by approximately 15.1 percent from the 2020 study. The total estimated costs to decommission St. Lucie increased by 9.1 percent during the same timeframe. Tables 1-1 and 1-2 below present the cost comparisons from 2020 to 2025 by major category of activity using the selected methods of decommissioning. Staff notes that the two vintages of cost figures shown below are unadjusted (nominal) and presented as they were in the year of study, or 2020 dollars and 2025 dollars, respectively.

**Table 1-1
 Turkey Point Decommissioning Cost Comparison 2020-2025**

Plant Turkey Point Units 3 and 4	2020 Study (\$1000s)	2025 Study (\$1000s)	Difference (\$1000s)	Percent Difference (%)
License Termination	1,018,355	1,181,679	163,324	16.0
Spent Fuel Management	282,949	312,767	29,818	10.5
Site Restoration	59,888	71,702	11,814	19.7
Total*	1,361,192	1,566,148	204,956	15.1

Source: Order No.PSC-2021-0232-PAA-EI and FPL’s 2025 Decommissioning Study

*May not add due to rounding

**Table 1-2
 St. Lucie Decommissioning Cost Comparison 2020-2025**

Plant St. Lucie Units 1 and 2	2020 Study (\$1000s)	2025 Study (\$1000s)	Difference (\$1000s)	Percent Difference (%)
License Termination	1,254,740	1,400,996	146,256	11.7
Spent Fuel Management	427,313	432,431	5,118	1.2
Site Restoration	63,409	71,360	7,951	12.5
Total*	1,745,462	1,904,787	159,325	9.1

Source: FPL’s 2020 and 2025 Decommissioning Studies

*May not add due to rounding

On an individual unit basis, the current estimated costs in 2025 dollars for the decommissioning of FPL’s nuclear plants are as follows:

Table 1-3
Turkey Point/St. Lucie Individual Nuclear Unit Cost

Nuclear Unit	Cost (2025 Dollars)
Turkey Point Unit No. 3	\$746,407,000
Turkey Point Unit No. 4	\$819,741,000
St. Lucie Unit No. 1	\$999,057,000
St. Lucie Unit No. 2	\$905,730,000

Staff notes that due to St. Lucie Unit No. 2 being jointly-owned with the Orlando Utilities Commission and Florida Municipal Power Agency (Joint Owners), FPL is responsible for approximately 86.63 percent of the unit's total decommissioning cost. The Joint Owners fund the remaining amount. Staff further notes that the Joint Owners maintain separate (from FPL) external sinking funds for satisfying both their decommissioning cost obligations and the NRC's financial assurance rule. The funding level status of the Joint Owners' NDTs as of October 31, 2025 are sufficiently above the NRC's required minimum.²⁴

As discussed above, all costs are ultimately classified as those relating to the activities of license termination, spent fuel management, or site restoration. However, these major cost classifications are comprised of individual cost elements. Below, staff analyzes estimated cost variances between FPL's current and 2020 study by these individual elements.

The total estimated costs in the 2025 study reflect increases relative to the total estimated costs in the 2020 study, primarily due to escalation factors, as no major methodology or scope changes are noted. As mentioned in the case background, the escalation factor utilized for each cost category is determined by using a combination of general economic inflation rates and inflation rates for decommissioning labor, transportation, and burial of nuclear waste. Explanations and updates to each cost category are detailed below.

Site Characterization and License Termination Surveys²⁵

These costs are associated with baseline radiological surveys, final site surveys, and verification surveys required for NRC license termination and release of the property for unrestricted use. The 2025 estimates incorporate refined methodologies to optimize decontamination efforts. Site characterization and license termination costs increased by approximately \$4.6 million, or 23.0

²⁴ Document No. 15414-2025, filed in Docket 20250143-EI *In re: Petition by Florida Power & Light Company for approval of 2025 nuclear decommissioning study*, St. Lucie Unit Nos. 1 and 2, Section 2, page 7 of 11, chart titled "St. Lucie Unit No. 2 Participant Owners Funding Status."

²⁵ Site Characterization refers to the process of obtaining and analyzing information relating the types, quantities, and chemical/physical states of radionuclides that will affect the decommissioning process.

percent, for Turkey Point, and \$4.6 million, or 22.3 percent for St. Lucie compared to the Company's 2020 study costs. These increases are due to escalation.²⁶

Corporate Support (Fixed Overhead)

This category includes costs associated with site operation support. EnergySolutions states that these cost estimates are based on the information provided by FPL in 2020 and escalated to 2025. Corporate support costs increased by approximately \$4.3 million, or 13.1 percent, for Turkey Point, and \$2.4 million, or 13.9 percent for St. Lucie compared to the Company's 2020 study costs.

Decontamination and Removal-Related Activities

Decontamination and removal costs primarily capture costs related to the disassembly of plant components and the placement of those components into a central area or zone for processing/disposal, controlled removal of contaminated and activated concrete, remediation of any hazardous waste, excavation of soil, and demolition of site structures. Removal costs increased by approximately \$66.9 million, or 27.3 percent, for Turkey Point, and \$55.0 million, or 21.7 percent for St. Lucie compared to the Company's 2020 study costs. These increases are due to escalation.

Energy Costs

Energy costs reflect current assumptions for energy sources during decommissioning activities. Energy costs increased by approximately \$0.3 million, or 3.3 percent, for Turkey Point, and \$1.4 million, or 12.7 percent for St. Lucie compared to the Company's 2020 study costs. These increases are due to escalation.

Florida Low-Level Radioactive Waste Inspection Fee

This category includes costs associated with Rule 64E-5.1508, F.A.C., which states:

“(6) Each generator of radioactive waste whose shipment is inspected by the department's representative will be billed quarterly by the department a fee of \$1.95 per cubic foot (0.02832 cubic meter) of waste shipped or \$150.00 per shipment inspected, whichever is greater.”

These costs have been adjusted for updated debris volumes and regulatory fees. LLRW costs have increased by approximately \$1.6 million, or 29.2 percent, for Turkey Point, and \$3.0 million, or 29.2 percent for St. Lucie compared to the Company's 2020 study costs. These increases are due to escalation.

Insurance and Regulatory Fees

This cost category includes Nuclear Liability Insurance Premiums (per unit), Nuclear Property Insurance Premiums (site), NRC License Fees (per unit), and Emergency Planning Fees (County and FEMA). Each of the aforementioned sub-categories' cost estimates decreased from 2020 to 2025, with the exception of the Nuclear Liability Insurance Premiums. The result is an overall cost decrease of approximately \$3.2 million (4.3 percent) for Turkey Point and \$15.8 million

²⁶ Escalation refers to the increase in estimated future decommissioning costs over time due to projected changes in labor, materials, contractor services, energy, and other inflationary cost factors.

(15.5 percent) for St. Lucie compared to the Company's 2020 study costs. The larger decrease for St. Lucie is primarily driven by Period 5 of the decommissioning process being shortened from 25 to 19 years.²⁷

Miscellaneous Equipment/Site Services

This cost category includes costs associated with tooling and equipment needed to support decontamination and dismantling activities. These costs have increased by approximately \$1.1 million, or 11.6 percent for Turkey Point and by approximately \$1.7 million, or 18.0 percent for St Lucie, compared to the 2020 Study costs. The primary driver for the increases is escalation.

Program Management

Program management represents the largest single cost category of the overall decommissioning cost estimate for Turkey Point and the second largest cost category for St. Lucie. The program management cost element primarily captures costs relating to the staffing (both plant personnel and contractors) and organization during the decommissioning process. This includes overall project oversight as well as management of day-to-day activities. Program management costs increased by approximately \$40.3 million, or 9.7 percent, for Turkey Point, and decreased by approximately \$29.9 million, or 5.9 percent, for St. Lucie compared to the Company's 2020 study costs. The primary driver for the increase for Turkey Point is escalation while the primary cause for the decrease for St. Lucie is Period 5 of the decommissioning process being shortened from 25 to 19 years.

Property Taxes

The 2025 study assumes property taxes will be paid post shutdown and will be carried until the ISFSI demolition is complete. Property taxes estimates have increased by approximately \$12,000, or 1.8 percent, for Turkey Point, and decreased by approximately \$1.5 million, or 43.9 percent, for St. Lucie compared to the Company's 2020 study costs. The large decrease for St. Lucie is attributable to Period 5 of the decommissioning process being shortened from 25 to 19 years, as well as FPL's projected annual taxes being lower in 2025 than in 2020.

Security

This cost category reflects costs associated with security during the decommissioning process. These costs reflect reduced staffing needs once SNF is removed from the spent fuel pools and transferred to dry cask storage at the ISFSI. Security expenses decrease significantly once the majority of the radiological inventory is removed from the reactor buildings and associated structures, allowing for a transition to a less intensive security posture (e.g., reduced guard force and perimeter monitoring requirements). This reduction is consistent with the 2020 Study's approach but has been updated for current license periods and projected SNF transfer schedules. In the 2025 study estimates, security costs are front-loaded during active decommissioning phases and then taper off substantially post-ISFSI loading, reflecting NRC security regulations that scale with remaining radiological hazards. The updates incorporate refined timelines based on extended operating licenses, resulting in escalation-driven increases. Security costs overall

²⁷ Period 5 refers to the post-shutdown phase during which SNF is stored onsite in dry cask systems and managed through fuel transfer operations, with costs primarily consisting of security, regulatory compliance, and storage-related activities rather than active dismantlement. For individual costs that are duration-driven (e.g. insurance, property taxes, etc.), the shortening of Period 5 by six years will serve to reduce these costs, all else being equal.

increased for both units (approximately \$12.0 million, or 11.4 percent for Turkey Point and \$23.8 million, or 16.0 percent for St. Lucie) compared to the Company's 2020 study costs.

Spent Fuel Management (Direct Expenditures)²⁸

This category includes costs for wet pool cooling and maintenance prior to fuel transfer, loading and transfer of SNF to dry cask storage at the ISFSI, ongoing ISFSI operations and maintenance (including monitoring, security, and environmental controls), and eventual retrieval and shipment when the DOE takes title and removes the spent fuel.

Direct expenditures are projected based on adjusted ISFSI storage periods, which vary by unit depending on DOE acceptance assumptions. The 2025 study reflects current projections for SNF removal timelines (e.g., DOE pickups begin in 2035 from Turkey Point, complete by 2072; DOE pickups begin in 2037 from St. Lucie, complete by 2082).²⁹ Spent Fuel Management costs have increased by approximately \$12.0 million, or 13.4 percent for Turkey Point and by approximately \$5.1 million, or 3.6 percent for St. Lucie, compared to the Company's 2020 study cost estimates. The primary driver for the increases is escalation.

Spent Fuel Pool Isolation

This category includes costs associated with isolating the spent fuel pools from the adjacent power block buildings so that decontamination and dismantlement can proceed in adjacent power block buildings without impacting spent fuel storage and fuel transfer activities. Spent Fuel Pool Isolation costs have increased by approximately \$3.4 million, or 14.0 percent for Turkey Point and by approximately \$3.4 million, or 14.6 percent for St. Lucie, compared to the 2020 study costs. The primary driver for the increases is escalation.

Waste Packaging, Transportation, and Disposal (Class A, B, and C)

This cost category includes the costs to package, transport, and dispose of LLRW. LLRW is the contaminated and activated material generated during a nuclear reactor decontamination and dismantling process and is further classified based on levels of radioactivity (lowest-to-highest) as either Class A, B, C, or Greater than Class C (GTCC). The majority of LLRW assumed for disposal in FPL's analysis, in terms of both volume and mass, is Class A waste.³⁰ This cost category represents the largest single cost category for St. Lucie, and second largest for Turkey Point.

For LLRW disposal cost estimation and planning purposes, FPL has a Life of Plant Agreement with EnergySolutions to dispose of Class A nuclear waste at EnergySolutions' facility in Clive, Utah. EnergySolutions' facility in Clive does not have a license to dispose of Class B or C radioactive waste, which is more highly radioactive than Class A. On November 10, 2011, Waste Control Specialists (WCS) opened the Texas Low-Level Radioactive Waste Disposal Compact

²⁸ Direct spent fuel management expenditures exclude program management costs but include costs for dry shielded storage canisters and horizontal storage modules, spent fuel loading/transfer/spent fuel pool O&M fees.

²⁹ For purposes of this estimate, FPL has assumed the DOE pickup of commercial fuel to begin in 2034. The acceptance rate is consistent with the 2004 "Acceptance Priority Ranking & Annual Capacity Report" (Ref. No. 6), which is the most current information regarding the acceptance of spent fuel.

³⁰ Waste disposal volumes and costs, itemized by packaging, transportation, surcharges and disposal costs by waste class and facility, are provided in Appendix E of FPL's 2025 study, for both Turkey Point and St. Lucie.

Facility in Andrews County, Texas. This facility is licensed to dispose of Class A, B, and C LLRW. For purposes of the current study, Classes B and C waste are assumed to be shipped and disposed of at the WCS facility.

The total estimated cost of Waste Packaging, Transportation & Disposal (Class A, B, & C) increased by \$51.2 million, or 18.1 percent for Turkey Point, and \$92.5 million, or 21.0 percent for St. Lucie, compared to the Company’s 2020 study costs. These increases are due to escalation.

Waste Packaging, Transportation, and Disposal – Greater-than-Class C

This cost category includes the costs to package, transport, and dispose of GTCC waste. Staff notes that a facility does not exist that accepts the disposal of such waste. The total estimated cost of Waste Packaging, Transportation & Disposal increased by \$9.6 million, or 25.3 percent for Turkey Point, and \$13.7 million, or 25.3 percent for St. Lucie compared to the Company’s 2020 study costs. These increases are also due to escalation.

Contingency Allowances:

The practice of budgeting a cost contingency allowance is common in large-scale construction and demolition projects. Such project cost estimates generally include a baseline cost estimate, which is formulated based on ideal conditions, and a contingency allowance. A contingency allowance is a specific provision for unforeseeable elements and associated costs within the defined project scope. For large, complex, and long-running projects such as nuclear plant decommissioning, unforeseeable events are likely to occur; therefore, a contingency allowance is necessary.

For each of FPL’s four nuclear units, EnergySolutions applied contingency allowances (typically ranging from 10–25%) to each specific decommissioning activity on a line item basis to produce a contingency value (in dollars). These specific line item contingency allowances are based on guidelines developed by the Atomic Industrial Forum (now Nuclear Energy Institute) in its report "Guidelines for Producing Commercial Nuclear Power Plant Decommissioning Cost Estimates," AIF/NESP-036. Dividing the sum of the line item contingency values by the total decommissioning costs (excluding contingencies) for each unit respectively, results in the proposed weighted average contingency factors for the 2025 study. The weighted average contingency factors for all four nuclear units are displayed in the table below:

Table 1-4
Weighted Average Contingency Factors

Nuclear Unit	Contingency
Turkey Point Unit 3	16.66%
Turkey Point Unit 4	17.07%
St. Lucie Unit 1	16.72%
St. Lucie Unit 2	17.07%

Source: FPL’s 2025 Decommissioning Study

Staff believes the contingency provisions presented in FPL's 2025 study, which are based on industry standards and guidelines, as discussed above, are reasonable.

Conclusion

Staff believes the 2025 study, in estimating current decommissioning costs for Turkey Point and St. Lucie as discussed above, appropriately recognize and reflect the changes and developments affecting decommissioning cost estimates of the Company's nuclear units. Thus, based on information contained in FPL's 2025 study and FPL's responses to staff's data requests, staff believes that FPL's total current estimated decommissioning costs of \$1,566,148,000 for Turkey Point Nuclear Units 3 and 4 and \$1,904,787,000 for St. Lucie Nuclear Units 1 and 2, in 2025 dollars, are reasonable.

Issue 2: What are the appropriate annual accruals, in equal dollar amounts, necessary to recover the future decommissioning costs of Florida Power & Light Company's St. Lucie Nuclear Units 1 and 2, and Turkey Point Nuclear Units 3 and 4?

Recommendation: Staff recommends the appropriate jurisdictional accrual amounts necessary to recover future decommissioning costs over the remaining life of each nuclear power plant remain at the currently-authorized zero dollars per year as last approved by Order No. PSC-2021-0232-PAA-EI. (D'Sa)

Staff Analysis: The purpose of this issue is to determine the appropriate annual accrual amounts to be charged to customers for satisfying the future cost of decommissioning FPL's nuclear power plants. As mentioned in staff's recommendation statement, the currently authorized overall annual decommissioning accrual is set to zero dollars per year (suspended) as last approved by Order No. PSC-2021-0232-PAA-EI.³¹ Staff notes the annual decommissioning accrual has been continuously suspended since September of 2005.³²

In general, to determine the annual accrual, the cost of decommissioning is first estimated in current dollars and then escalated to its future value using specific cost escalation assumptions. The question becomes how much revenue needs to be collected from current customers in equal monthly payments, earning at a given rate, to equal the future value of decommissioning costs. The determination of the annual accrual then resembles an annuity calculation. The specific cost escalation rates and the assumed funds earning rate are discussed in greater detail later in this issue. However, in considering current or "on hand" funding levels, the very need for an annual decommissioning accrual is determined by a similar process. To determine the need for an annual decommissioning accrual, the assumed funds earnings rate is used to develop the present value of the future funding requirement. A comparison is then made between the present value of the future funding requirement and the current funds on hand including certain assumed future tax implications. The results of this analysis will be the present value of the net funding requirement (which includes the scenario/result of no current additional customer funding being required). These updated calculations reflect a revised operating license which is valid for an additional 20 years.

The results of the annual accrual analysis presented with FPL's 2025 study indicates that no new customer funding (positive annual accrual for nuclear plant decommissioning) is required at this time. Staff notes that unless ordered otherwise, the continued adequacy of FPL's decommissioning accrual will be reviewed by the Commission at least once every five years as required by Rule 25-6.04365(3), F.A.C.

Current Cost of Decommissioning

As discussed in detail in Issue 1, the current overall system decommissioning cost estimates included in FPL's 2025 study are shown in Table 2-1. The estimated costs are as of December 31, 2025.

³¹ Order No. PSC-2021-0232-PAA-EI.

³² Order No. PSC-05-0902-S-EI and Docket No. 050188-EI, *In re: 2005 comprehensive depreciation study by Florida Power & Light Company.*

**Table 2-1
 Current Decommissioning Cost Estimates by Plant**

Nuclear Unit	Estimated Decommissioning Costs (2025 Dollars)
St. Lucie Unit No. 1	\$999,057,000
St. Lucie Unit No. 2	\$905,730,000
Turkey Point Unit No. 3	\$746,407,000
Turkey Point Unit No. 4	\$819,741,000
Total	\$3,470,934,000

Source: FPL’s 2025 Decommissioning Study, Support Schedule G.

Cost Escalation Rates

Specific cost escalation rates are used to convert the current estimated decommissioning cost to the future decommissioning cost for each nuclear unit. The current decommissioning cost estimates are delineated into five summary cost categories. These categories are: labor, equipment/materials, transportation, low-level radioactive waste disposal, and other. The current decommissioning cost estimates are escalated to future values at the respective license termination dates for each nuclear unit using separate inflation forecasts applicable to the forelisted cost categories. With the exception of burial rates, FPL relied upon “The U.S. Economy, The 30-Year Outlook, November 2025,” published by Global Insight as the source for its specific escalation forecasts. FPL’s escalation rate for burial is based on Company-specific data. Staff notes the estimated burial costs contained in the 2025 study are assumed to escalate at an annual rate of 2.0 percent. The specific year-by-year escalation rates for all cost categories are shown on page one of Schedule G (for both St. Lucie and Turkey Point) of the 2025 Study.³³

The methodology used by FPL in the 2025 study to determine the assumed average escalation rates is consistent with the methodology used in its prior or 2020 study. The plant-specific average annual escalation rates used in the 2020 Study and the 2025 Study to convert the current decommissioning costs to the future decommissioning costs for each nuclear unit are shown in Table 2-2 below:

**Table 2-2
 Average Annual Escalation Rate Comparison**

Nuclear Unit	2020 Study	2025 Study
St. Lucie Unit No. 1	3.15%	3.99%
St. Lucie Unit No. 2	3.19%	4.24%
Turkey Point Unit No. 3	3.15%	4.03%
Turkey Point Unit No. 4	3.13%	3.97%

Source: FPL’s 2020 and 2025 Decommissioning Studies, Support Schedule G.

Future Cost of Decommissioning

The estimates of the total future cost to decommission each nuclear unit are based on the current costs to decommission, operating license termination and release dates, and the specific cost

³³ Document No. 15414-2025, filed December 12, 2025.

escalation rates. The estimated future costs to decommission each nuclear unit at their respective assumed license release dates are listed in Table 2-3. Staff notes the cost figures listed below are on a system basis and net of the estimated DOE reimbursements for costs incurred related to the on-site storage of SNF as previously discussed in Issue 1.

**Table 2-3
 Future Cost of Decommissioning**

Nuclear Unit	Future Net Decommissioning Costs (Nominal)
St. Lucie Unit No. 1	\$3,651,292,335
St. Lucie Unit No. 2	\$3,969,821,968
Turkey Point Unit No. 3	\$2,128,079,245
Turkey Point Unit No. 4	\$2,459,406,869
Total	<u>\$12,208,600,417</u>

Source: FPL’s 2025 Decommissioning Study, Support Schedule G.

Current Funding

The NRC requires that licensees provide reasonable financial assurance that funds will be available for decommissioning through one of three methods: (a) prepayment prior to the start of operation, (b) an external sinking fund, or (c) surety, insurance or other guarantee method.³⁴ The Company provides for financial assurance for plant decommissioning through its NDT funds which are held in trust with The Bank of New York Mellon Corporation (BNY Mellon) as trustee. This financial provisioning and trust arrangement constitutes an external sinking fund. An external sinking fund is defined as a: “fund established and maintained by setting funds aside periodically in an account segregated from licensee assets and outside the licensee’s administrative control in which the total amount of funds would be sufficient to pay decommissioning cost at the time termination of operation is expected.”³⁵

The current projected NDT balances and the estimated present values of funding requirements on a jurisdictional basis are shown in Table 2-4 below. Staff notes that generally for the purposes of an annual decommissioning accrual, a fund balance greater than or equal to the estimated present value of the future funding requirement at the date of study indicates the current funding level is sufficient, and that no new customer money is presently required.

³⁴ 10 C.F.R. § 50.75 (2025).

³⁵ *Id.*

**Table 2-4
 Current Total Fund Balances and Estimated Present Values of Future Funding Requirements**

Nuclear Unit	Projected Fund Balance at 12/31/2025 (Jurisdictional)	Estimated Present Value of Future Funding Requirements at 12/31/2025 (Jurisdictional)
St. Lucie Unit No. 1	\$1,061,140,942	\$510,940,366
St. Lucie Unit No. 2	\$874,978,943	\$459,681,158
Turkey Point Unit No. 3	\$894,485,866	\$429,731,079
Turkey Point Unit No. 4	\$1,006,407,832	\$487,531,728
Total	\$3,837,013,583	\$1,887,884,331

Source: FPL's 2025 Decommissioning Study, Support Schedule G.

Funding Period

The funding period is the period over which revenues are collected from customers for purposes of decommissioning the nuclear units. Plant-specific funding periods are assumed to expire on the last day of the month preceding the month in which the plant's operating license is due to expire. The operating license expiration dates for the nuclear units are listed in Table 2-5 below:

**Table 2-5
 Current NRC Operating License Expiration Dates**

Nuclear Unit	Expiration Date
St. Lucie Unit No. 1	March 1, 2056
St. Lucie Unit No. 2	April 6, 2063
Turkey Point Unit No. 3	July 19, 2052
Turkey Point Unit No. 4	April 10, 2053

Source: FPL's 2025 Decommissioning Study, Section 2.

Years of Fund Expenditures

The years in which the accumulated NDT funds will be expended for purposes of plant decommissioning are listed in Table 2-6 below:

**Table 2-6
 Years of Fund Expenditures**

Nuclear Unit	Period
St. Lucie Unit No. 1	2056-2083
St. Lucie Unit No. 2	2063-2083
Turkey Point Unit No. 3	2052-2073
Turkey Point Unit No. 4	2053-2073

Source: FPL's 2025 Decommissioning Study, Support Schedule G.

Fund Earnings Rate

The fundamental purpose of the Commission’s review of a decommissioning study is to ensure there will be adequate funding on hand at the time the nuclear unit is decommissioned. An assumed fund earnings rate is integral to this process. The assumed fund earnings rate should be conservative enough to avoid a situation whereby future customers are burdened by inadequate funding for decommissioning. However, an assumed fund earnings rate that is too conservative inappropriately burdens current customers with expenses to be incurred in the future. As such, a certain amount of judgment is necessary to determine a fair balance between generations of customers.

The annual accrual amount moves inversely to the fund earnings rate. In other words, the higher the assumed fund earnings rate, the lower the annual accrual and vice versa. In its 2020 Study, FPL used an assumed fund earnings rate of 4.5 percent, which is applicable to all four of its NDT funds. This assumption is based on a projected real long-term, after tax and net of fees, earnings rate of 2.0 percent plus an estimated long term average inflation rate of 2.5%.

This is the same approach FPL used in its approved 2020 Study where the assumed earnings rate is compared to the CPI to assure that the overall return remains above CPI.³⁶ The assumed fund earnings rate of 4.5 percent, as compared to a CPI of 2.0 percent reflects the projection of continued adequacy of the funds. This projection assumes an investment strategy of establishing a conservative mix of assets to achieve long-term growth of principal coupled with an attempt to minimize downside volatility. Asset mix policy as of December 31, 2025 was 50 percent equity/growth assets and 50 percent income-oriented assets.³⁷

As demonstrated by the range of earnings displayed in Table 2-7, the total fund returns have experienced some volatility from period to period. However, since fund inception, the NDT has returned an overall level of 7.2 percent. Given the projected long-term CPI of 2.0 percent, and the actual returns since inception, staff believes FPL’s estimated fund earnings rate of 4.5 percent is reasonable for the purposes of determining the appropriate annual accrual amounts.

Table 2-7
Period NDT Time-Weighted Returns

Period	Fund Return	CPI	Spread
1-Year	11.70%	2.70%	9.00%
2-Year	12.30%	2.70%	9.60%
3-Year	13.70%	3.00%	10.70%
5-Year	7.70%	4.50%	3.20%
10-Year	8.50%	3.20%	5.30%
Since Fund Inception	7.20%	2.80%	4.40%

Source: FPL’s Responses to Staff’s First Data Request, No. 1.

³⁶ Order No. PSC-2021-0232-PAA-EI.

³⁷ FPL’s Responses to Staff’s First Data Request, No. 3, filed February 11, 2026.

Given the parameters discussed above, the funding analysis indicates the current funding position as of December 31, 2025, is more than sufficient to satisfy the present value of future nuclear plant decommissioning cost requirements and that no new customer monies are required at this time.

Minimum Fund Earnings Rate

Separate from the issue of the assumed fund earnings rate is the matter of whether the Commission should impose a minimum fund earnings rate. In Order No. 21928, the Commission determined that a minimum fund earnings rate equivalent to the level of inflation over each five-year review period would be appropriate.³⁸ The Commission reaffirmed this approach in FPL's 1994 and 1998 Studies. In those orders the Commission stated:

Rather than attempting to set a prospective minimum fund earnings rate which may or may not be reasonable under future economic conditions, we will require that the companies set aside funds sufficient to meet the Commission's best estimate of the decommissioning liability and require the companies to maintain the purchasing power as well as the principal amount of these contributions. The companies' investment performance will be evaluated along with all other decommissioning activities every five years. If it is found that the companies' investment earnings, net of taxes and all other administrative costs charged to the trust fund, did not meet or exceed the CPI average for the period, then we will consider ordering the utility to cover this shortfall with additional monies to keep the trust fund whole with respect to inflation. We therefore find a minimum fund earnings rate equivalent to the level of inflation over each five-year review period would be appropriate.³⁹

FPL believes a minimum funds earnings rate should not be imposed and the current approach, as approved by the Commission, should remain in effect.⁴⁰ The Company explained that economic and financial market conditions can vary widely over time and are difficult, if not impossible, to predict. FPL also indicated that it is reasonable that the Company be accountable for taking appropriate steps intended to preserve the principal value and the purchasing power of contributions collected from its customers. Staff concurs with FPL and believes this approach is reasonable and recommends that it remain in effect, that is no minimum earnings rate be imposed at this time.

³⁸ Order No. 21928.

³⁹ Order No. PSC-95-1531-FOF-EI; Order No. PSC-02-0055-PAA-EI. *See* Docket No. 941352-EI, *In re: Petition for Approval of Increase in Accrual for Nuclear Decommissioning Costs by Florida Power Corporation*; Docket No. 001835-EI, *In re: Petition for approval of revised annual accrual for nuclear decommissioning costs by Florida Power Corporation*; Docket No. 990324-EI, *In re: Disposition of Florida Power & Light Company's accumulated amortization pursuant to Order PSC-96-0461-FOF-EI*; and Docket No. 991931-EG, *In re: Determination of appropriate method of recovery for the last core of nuclear fuel for Florida Power & Light Company and Florida Power Corporation*.

⁴⁰ FPL's Responses to Staff's First Data Request, No. 2, filed February 11, 2026.

Conclusion

The current annual expense requirements to satisfy the estimated future nuclear decommissioning costs presented in the 2025 study support a zero accrual as of December 31, 2025. Based on the current estimated cost to decommission each nuclear unit, the assumed escalation rates to derive future cost values, current funding levels, and the assumed fund earnings rate of 4.5 percent, staff believes the continued suspension of any decommissioning accruals is reasonable. Thus, staff recommends the appropriate jurisdictional accrual amounts necessary to recover future decommissioning costs over the remaining life of each nuclear power plant remain at the currently-authorized zero dollars per year as last approved by Order No. PSC-2021-0232-PAA-EI.

Issue 3: Should the amortization expense associated with the unrecovered value of End-of-Life Materials and Supplies inventories that will exist at the nuclear site following shut down be revised?

Recommendation: Yes. Staff recommends that the annual amortization expense estimate associated with EOL M&S inventories for FPL of \$2.130 million (system), based on the proposed date of January 1, 2030, is reasonable. The amortization of EOL M&S as estimated for that date is \$0.483 million higher than the currently authorized accrual amount. Any changes to the current EOL M&S accruals should be addressed in FPL's next rate case. (Pope, Barrett)

Staff Analysis: The EOL M&S inventories of a nuclear-powered electrical plant consist of spare replacement parts and supplies that are required to ensure safe and reliable operations of the nuclear plant.⁴¹ These inventories are unique and will have little value other than scrap when the associated nuclear units are decommissioned. Recognizing that a level of EOL M&S inventories will remain at the final shut down of each nuclear plant and therefore equates to an unrecovered cost, the Commission authorized FPL to amortize the cost of EOL M&S inventories over the remaining life span of each nuclear plant in order to ratably allocate the costs to those receiving the benefit of the nuclear generated power.⁴² For administrative ease, the Commission further required FPL to address the amortization status of EOL M&S inventories in the Company's subsequent updated nuclear decommissioning cost studies so the related annual amortization expense could be revised, if necessary.

In accordance with Order No. PSC-02-0055-PAA-EI, effective May 2002, FPL began recording the annual amortization expense associated with the EOL M&S inventories as a debit to nuclear maintenance expense with a credit to an unfunded Account 228 reserve. FPL's current level of annual amortization expense was required in its 2020 Study and approved by the Commission by Order PSC-2021-0232-PAA-EI. Because the Commission previously found that the recovery of the costs associated with the EOL M&S inventories should be considered as a base rate component,⁴³ it ordered that changes in amortization of the EOL M&S inventory-related expenses shall be considered in conjunction with changes in other base rate costs and revenue requirement determinations at the time of a base rate proceeding. Consequently, FPL's currently-authorized annual amortization determined in its 2020 Study became effective in July 2021, consistent with the Stipulation and Settlement Agreement approved by the Commission in FPL's 2025 base rate case.⁴⁴

⁴¹ EOL M&S inventories include assets such as spare pumps and subassemblies, motors, control modules, circuit boards, switch gear, circuit breakers, valves and valve parts, ventilation parts and filters, radiation monitoring parts, and similar types of equipment. In FPL's Response to Staff's Second Data request, Nos. 7 and 14, FPL stated that valves and electrical switching equipment are the items with the highest value in the respective EOL M&S inventories.

⁴² Order No. PSC-02-0055-PAA-EI; Order No. PSC-13-0023-S-EI, issued January 14, 2013, in Docket No. 120015-EI, *In re: Petition for increase in rates by Florida Power & Light Company*; and Order No. PSC-16-0250-PAA-EI, issued June 29, 2016, in Docket No. 150265-EI, *In re: Petition for approval of 2020 nuclear decommissioning study, by Florida Power & Light Company*.

⁴³ Order No. PSC-02-0055-PAA-EI.

⁴⁴ Order No. PSC-2026-0022-S-EI, issued January 22, 2026, in Docket No. 20250011-EI, *In re: Petition for rate increase by Florida Power & Light Company*.

In a decommissioning study, a Company's required EOL M&S-related annual amortization is determined by dividing the remaining net unrecovered cost associated with the EOL M&S inventories by the remaining amortization period. The remaining net unrecovered cost is the difference between the estimated cost of EOL M&S inventories and the actual reserve balance accrued at a point in time. The remaining amortization period is usually assumed to be from the considered point in time to the end of operating license of the last nuclear unit at a nuclear site.

In its study, FPL estimated the remaining net unrecovered cost associated with the EOL M&S inventories, as of January 1, 2026, to be \$65.934 million, with approximately \$36.330 million at St. Lucie⁴⁵ and \$29.604 million at Turkey Point. These amounts reflect increases in the estimated Adjusted Ending Inventory Value at the end of the license compared to the 2020 Study, including an approximate \$20 million increase for St. Lucie Unit 2 and a \$14 million increase for Turkey Point Unit 4.

The overall increase of approximately \$22 million in the estimated Adjusted Ending Inventory Value for St. Lucie is primarily attributable to the subsequent 20-year license extensions for Units 1 and 2, which require FPL to maintain higher inventory balances over a longer period and delay the onset of the inventory ramp-down phase. For Turkey Point, the \$12.6 million increase in the estimated Adjusted Ending Inventory Value is primarily due to updated inflation factors applied over the study period, as well as a lower assumed inventory turnover rate of 18.24 percent in the 2025 study compared to 26.34 percent in the 2020 study.⁴⁶

On February 28, 2025, FPL filed a Petition for Base Rate Increase and Rate Unification.⁴⁷ After filing its Rate Case petition, the Company updated its analysis associated with the EOL M&S inventories in the instant docket in order to align with the proposed effective date identified in FPL's Rate Case, January 1, 2026. The Commission recently established base rates through 2029 via settlement, with EOL M&S accruals continuing based on the results of the prior study.⁴⁸ Accordingly, the 2025 study results for EOL M&S, as projected forward to January 1, 2030, reflect the estimated remaining amounts to be recovered and the revised annual amortization amounts as presented in Table 3-1 below.

⁴⁵ The calculations in the 2025 study reflect that other parties have small ownership interests in the St. Lucie units. FPL's ownership share for these units is reflected as 92.552245 percent, net of participants. FPL owns all interests in the Turkey Point units.

⁴⁶ FPL's response to Staff's Second Data Request, Nos. 4 (SL) and 11 (TP), filed March 05, 2026.

⁴⁷ See footnote 44.

⁴⁸ See footnote 44.

Table 3-1
EOL M&S - Associated Amortization Expenses (\$1000s)

Plant Site/ Unit	(a) EOL M&S Inventories as of 1/1/2030 (FPL ownership share)	(b) Reserve Balance as of 1/1/2030	(c) = (a) – (b) Remaining Amounts to be Recovered	(d) Current Annual Amortization (2020 Study)	(e) Revised Annual Amortization (as of 1/1/2030)	(f) = (e) – (d) Change in Annual Amortization ⁴⁹
SL2*	50,047	17,656	32,391	985	973	(12)
TP4**	<u>54,428</u>	<u>27,470</u>	<u>26,958</u>	<u>662</u>	<u>1,157</u>	<u>495</u>
Total	<u>104,475</u>	<u>45,126</u>	<u>60,934</u>	<u>1,647</u>	<u>2,130</u>	<u>483</u>

*St. Lucie 2 is the last unit to be decommissioned at the St. Lucie nuclear site.

**Turkey Point 4 is the last unit to be decommissioned at the Turkey Point nuclear site.

Data Source: FPL's response to Staff's Second Data Request, Nos. 2 (SL) and 9 (TP); FPL 2025 Decommissioning Study, Assumptions and Schedule E; and Order No. PSC-2021-0232-PAA-EI.

Based on the information contained in FPL's 2025 study and associated data request responses as well as prior Commission orders, staff believes that the revised estimated amortization amounts presented in Table 3-1 are reasonable. FPL proposed that any change in amortization accruals relating to EOL M&S inventories should be addressed in FPL's next base rate proceeding.⁵⁰ Staff concurs with FPL that the EOL M&S accruals currently in effect should remain in effect, and that EOL M&S changes in accruals, if any, should be addressed in FPL's next rate case.

Conclusion

Staff recommends that the annual amortization expense estimate associated with EOL M&S inventories for FPL of \$2.130 million (system), based on the proposed date of January 1, 2030, is reasonable. The amortization of EOL M&S as estimated for that date is \$0.483 million higher than the currently authorized accrual amount. Any changes to the current EOL M&S accruals should be addressed in FPL's next rate case.

⁴⁹ The Change in Annual Amortization is presented for informational purposes only.

⁵⁰ Docket No. 20250143-EI, *In re: Petition of Florida Power & Light Company for Approval of its 2025 Decommissioning Study*.

Issue 4: Should the amortization expense associated with the cost of the Last Core of nuclear fuel be revised?

Recommendation: Yes. Staff recommends that the Commission recognize the revised estimate of annual amortization expense associated with the cost of the Last Core of nuclear fuel at FPL nuclear units of \$17.886 million (system), based on the assumed accrual date of January 1, 2030. The revised amortization represents an increase of approximately \$14.322 million from the authorized amortization in the 2020 study. Staff also recommends that the updated estimates should be addressed in FPL's next base rate proceeding, and the appropriate changes in accruals, if any, should be made at that time. (Clark, Barrett)

Staff Analysis: Last Core is defined as the unburned nuclear fuel that will remain in the fuel assemblies at the end of the last operating cycle of each nuclear unit when it ceases operation. Recognizing that the Last Core is associated with the final shut down of a nuclear unit and therefore equates to an unrecovered cost at the end of each unit's life, the Commission authorized FPL to amortize the cost of the Last Core over the remaining life span of each nuclear unit in order to ratably allocate the costs to those receiving the benefit of the nuclear generated power.⁵¹ For administrative ease, the Commission also required FPL to address the amortization status of the Last Core expense in the Company's subsequent updated nuclear decommissioning cost studies so the related annual amortization expense could be revised, if necessary.

In accordance with Order No. PSC-02-0055-PAA-EI, FPL began recording the annual amortization expense associated with the Last Core as a debit to nuclear maintenance expense with a credit to an unfunded Account 228 reserve. Similar to EOL M&S addressed in Issue 3, FPL's current level of annual amortization expense was required in its 2020 study and approved by the Commission by Order No. PSC-2021-0232-PAA-EI. Because the Commission previously found that the recovery of the cost associated with the Last Core should be considered as a base rate component, it ordered that changes in amortization of the Last Core-related expense shall be considered in conjunction with changes in other base rate costs and revenue requirement determinations at the time of FPL's base rate proceeding.⁵² Consequently, FPL's authorized annual amortization determined in its 2020 Study became effective January 1, 2022.⁵³

In a decommissioning study, a company's required Last Core-related annual amortization is determined by dividing the difference between the estimated EOL value of the Last Core of nuclear fuel and the cumulative amortization balance at a point in time, by the remaining amortization period which is usually assumed to be at the end of operating license of the nuclear unit. FPL calculated the estimated EOL value of the Last Core of nuclear fuel using the same methodology applied in prior decommissioning studies. The EOL Last Core value reflects the aggregation of estimated unamortized acquisition costs of each fuel batch prorated based on the percentage of unburned fuel remaining at the conclusion of the final operating cycle.^{54,55} In its

⁵¹ Order No. PSC-02-0055-PAA-EI; Order No. PSC-05-0902-S-EI; Order No. PSC-11-0381-PAA-EI; Order No. PSC-13-0023-S-EI; Order No. PSC-16-0250-PAA-EI; and Order No. PSC-2021-0232-PAA-EI.

⁵² Order No. PSC-02-0055-PAA-EI.

⁵³ Order No. PSC-2021-0232-PAA-EI.

⁵⁴ FPL's Responses to Staff's Second Data Request, No. 20, filed March 05, 2026.

2025 study, FPL estimated the remaining net unrecovered cost associated with Last Core at the St. Lucie and Turkey Point nuclear plants, as of December 31, 2025, was approximately \$495.728 million.

Consistent with the approach used with the EOL M&S balances in its 2025 study, FPL proposed that any change in amortization accruals relating to the Last Core expense should be addressed in FPL's next base rate proceeding. The approval of FPL's 2025 rate case petition resulted in the Company updating its analysis associated with Last Core to align with FPL's potential effective date for their next base rate proceeding of January 1, 2030.⁵⁶ The updated analysis reflects that FPL's estimate of remaining net unrecovered cost associated with the Last Core, as of January 1, 2030, is approximately \$481.472 million. The resulting annual amortization expense is estimated to be \$17.886 million, an increase of \$14.322 million annually from the current level. FPL indicated this estimate reflects the increase in the market-based prices of nuclear fuel purchases since its prior 2020 Study.⁵⁷ Details of the estimated Last Core-related costs, reserve balances, remaining amounts to be recovered, and annual amortization amounts, as of January 1, 2030, are presented in Table 4-1 below:

Table 4-1
Last Core - Associated Amortization Expenses (\$1000s)

Plant Site / Unit	(a) Last Core Costs as of 1/1/2030 (FPL Ownership share)	(b) Reserve Balance as of 1/1/2030	(c) = (a) - (b) Remaining Amounts to be Recovered	(d) Current Annual Amortization (2020 Study)	(e) Revised Annual Amortization (as of 1/1/2030)	(f) = (e) - (d) Change in Annual Amortization ⁵⁸
SL1	231,500	51,115	180,385	919	6,883	5,964
SL2	197,800	42,955	154,845	953	4,651	3,698
TP3	98,300	47,129	51,171	803	2,270	1,467
TP4	138,100	43,029	95,071	889	4,082	3,193
Total	665,700	184,228	481,472	3,564	17,886	14,322

Data Source: FPL's Response to Staff's Second Data Request, Nos. 21, 25.

Based on the review of information contained in FPL's 2025 study and associated data request responses as well as prior Commission orders, staff believes that the updated values for Last Core amortization presented in Table 4-1 are reasonable. In addition, staff concurs with FPL that the Last Core amortization amounts currently in effect should remain in effect, and that Last Core amortization amount changes should be addressed in FPL's next rate case.

⁵⁵ Calculation Formula: Unburned Fuel Cost = (Batch 1 Acquisition Cost × Remaining Burnup %) + (Batch 2 Acquisition Cost × Remaining Burnup %) + (Batch 3 Acquisition Cost × Remaining Burnup %)

⁵⁶ FPL's Responses to Staff's Second Data Request Nos. 23, 27, filed March 05, 2026.

⁵⁷ *Id.* at Nos. 18 and 19.

⁵⁸ The change in Annual Amortization is presented here for informational purposes only.

Conclusion

The amortization expense associated with the cost of the Last Core of nuclear fuel should be revisited in FPL's next base rate proceeding, and the current annual amortization expense from the 2020 Study should remain in effect. Based on the proposed date of January 1, 2030, staff recommends that the Commission approve FPL's revised estimate of annual amortization expense associated with the cost of the Last Core of \$17.886 million (system) for FPL's 2025 study. The revised amortization represents an increase of approximately \$14.322 million from the authorized amortization in the 2020 Study.

Issue 5: What should the effective date be for adjusting the annual decommissioning accrual amounts for FPL’s St. Lucie Nuclear Units 1 and 2, Turkey Point Nuclear Units 3 and 4, amortization of nuclear EOL M&S inventories, and amortization of the costs associated with the Last Core?

Recommendation: If the staff recommendations in Issues 1 and 2 are approved, there is no change to the current approved zero decommissioning accrual. Therefore, an effective date for adjusting the annual decommissioning accrual is moot. If the staff recommendations in Issues 3 and 4 are approved, any revisions to the annual amortization amounts relating to EOL M&S inventories (Issue 3) and the Last Core (Issue 4) should be effective at the time revised base rates in FPL’s next rate case are approved. (Kunkler)

Staff Analysis: In FPL’s 2020 Study, the Commission found that FPL’s currently-approved zero annual decommissioning accrual did not warrant revision at that time. A review of FPL’s 2025 study indicates that decommissioning base cost estimates have increased since 2020. However, assumptions relating to escalation rates and trust fund earnings, as discussed in Issue 2, suggest that FPL’s currently approved zero annual decommissioning accrual does not require revision at this time.

As previously discussed in Issues 3 and 4, staff recommends that revisions to the amortization of nuclear EOL M&S inventories and amortization of the costs associated with the Last Core should be revisited at FPL’s next base rate proceeding. This is in accordance with the Commission decision in the 1998 study review that the amortization expenses associated with the Last Core and EOL M&S should be considered base rate obligations.⁵⁹ The effective date of annual amortization amounts should thus be effective at the time revised base rates in FPL’s next rate case are approved.

Conclusion

If the staff recommendations in Issues 1 and 2 are approved, there should be no change to the currently-approved zero annual decommissioning accrual. Therefore, the Commission need not establish an effective date at this time. If the staff recommendations in Issues 3 and 4 are approved, any revisions to annual amortization amounts relating to EOL M&S inventories and the Last Core should be effective at the time revised base rates are approved in FPL’s next base rate proceeding.

⁵⁹ Order No. PSC-02-0055-PAA-EI.

Issue 6: When should Florida Power & Light Company file its next nuclear decommissioning study?

Recommendation: FPL's next decommissioning cost study for the Turkey Point Nuclear Generating Station and the St. Lucie Nuclear Power Plant should be filed no later than December 12, 2030. (Kunkler)

Staff Analysis: Rule 25-6.04365, F.A.C., requires a utility that owns a nuclear generating plant under Commission jurisdiction to file a site-specific nuclear decommissioning cost study update at least once every five years from the submission date of the previous study unless otherwise required by the Commission. Given that FPL's current study was filed on December 12, 2025, its next study should be filed no later than December 12, 2030.

Conclusion

FPL's next decommissioning cost study for Turkey Point and St. Lucie should be filed no later than December 12, 2030.

Issue 7: Should this docket be closed?

Recommendation: If no protest to this proposed agency action is filed by a substantially affected person within 21 days of the issuance of the order, a consummating order should be issued and the docket should be closed. (Bloom, Crawford)

Staff Analysis: If no protest to this proposed agency action is filed by a substantially affected person within 21 days of the issuance of the order, a consummating order should be issued and the docket should be closed.

Item 12

FILED 5/20/2026
DOCUMENT NO. 03030-2026
FPSC - COMMISSION CLERK

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-

DATE: May 20, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Guffey) *GP*
Office of the General Counsel (Thompson, Farooqi) *JSC*

RE: Docket No. 20260064-EI – Petition for a limited proceeding to approve large load tariff, by Duke Energy Florida, LLC.

AGENDA: 06/02/26 – Regular Agenda – Tariff Suspension – Participation is at the Commission’s Discretion

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Clark

CRITICAL DATES: 06/22/26 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

On September 5, 2025, in Docket No. 20250113-EI, Duke Energy Florida, LLC (DEF or Utility) filed a petition requesting approval of a new large load tariff with an associated rate schedule and other associated provisions. On March 13, 2026, the Florida Legislature passed Senate Bill 484 (SB 484), which if signed into law, would have had an impact on the tariff as filed. On March 19, 2026, the docket was abated. On April 20, 2026, DEF filed a status report notifying the PSC of the withdrawal of its petition.¹ Docket No. 20250113-EI was subsequently closed on April 27, 2026.

On April 22, 2026, DEF filed a new petition for a limited proceeding seeking approval of a new Large Load Customer Policy (LLCP), a Large Load Customer Agreement (LLCA), and revised

¹ Duke Energy Florida, LLC’s Status Report, filed on April 20, 2026, Document No. 02266-2026.

Contribution in Aid of Construction (CIAC) tariffs. DEF states that this filing complies with newly passed state legislation, SB 484. The Governor signed SB 484 into law on May 7, 2026, which takes effect on July 1, 2026 (Chapter No. 2026-65, Laws of Florida).

The LLCP and associated LLCA establish a minimum contract term, minimum monthly bill provisions, security requirements, and early termination provisions. Customers subject to the LLCP must also pay a non-refundable system impact fee. Finally, the LLCP contains a CIAC provision requiring customers to pay 100 percent of the estimated costs to extend service in advance.

Pursuant to the proposed LLCP, potential large load customers would take service under DEF's existing GSD-1 or GSDDT-1 rate schedules until a new rate class is established as anticipated in DEF's next rate case filing. In this filing, a large load customer is defined as a customer with a Peak Contract Demand forecast to be greater than or equal to a Monthly Maximum Demand of 50 Megawatts (MW) at a single location. Customers meeting this criteria would be subject to the LLCP and would need to execute the LLCA. Customers already existing on the Utility's system as of December 31, 2025, that meet the demand requirements would not be subject to these additional requirements.

The Office of Public Counsel's intervention in this docket was acknowledged by Order No. PSC-2026-0144-PCO-EI, issued May 8, 2026. As of May 15, 2026, PCS Phosphate – White Springs and Florida Rising, Inc. have requested intervention in this docket. This is staff's recommendation to suspend the proposed tariffs. The Commission has jurisdiction over this matter pursuant to Sections 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the Commission suspend DEF's proposed Large Load Customer Policy (LLCP), Large Load Customer Agreement (LLCA), and revised Contribution in Aid of Construction (CIAC) tariffs?

Recommendation: Yes. Staff recommends that DEF's proposed LLCP, LLCA, and revised CIAC tariffs be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the proposed tariff modifications. (Guffey)

Staff Analysis: Staff recommends that DEF's proposed LLCP, LLCA, and revised CIAC tariffs be suspended to allow staff and the parties sufficient time to analyze the petition and for the Commission to conduct an administrative hearing.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of the new rate schedules, delivering to the Utility requesting such a change, a reason, or written statement of a good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission decision on DEF's proposed request for approval of its new LLCP, LLCA, and revised CIAC tariff. (Thompson, Farooqi)

Staff Analysis: This docket should remain open pending the Commission decision on DEF's proposed request for approval of its new LLCP, LLCA, and revised CIAC tariff.