



MESSER CAPARELLO & SELF, P.A.

Attorneys At Law

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September 1, 2010

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COMMISSION  
CLERK

**BY HAND DELIVERY**

Ms. Ann Cole, Commission Clerk  
Office of Commission Clerk  
Room 110, Easley Building  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Re: Docket No. 100128-WU – *Application of Lighthouse Utilities Company, Inc. for an Increase in Water Rates in Gulf County*

Dear Ms. Cole:

Enclosed are the following for filing in the above-referenced docket:

- Sixteen (16) copies of the Application for Increase in Rates. 07382-10\*
- Sixteen (16) copies of the Minimum Filing Requirements (Volume I). 07383-10
- Two (2) copies of the Billing analysis (Volume II). 07384-10
- Sixteen (16) copies of the Affidavit required by Rule 25-22.0407, Florida Administrative Code. 07382-10\* (included with application) -10m
- The original and three (3) copies of the proposed Final Rate Tariff Sheets (Exhibit I to the Application). 07385-10 copies forwarded to ECR
- Check in the amount of \$3,500.00 represent the appropriate filing fee

The copies of the Additional Engineering Information (Volume III) as described in Rule 25-30.440, Florida Administrative Code are not complete and will be filed as soon as possible.

COM \_\_\_\_\_  
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DOCUMENT NUMBER DATE

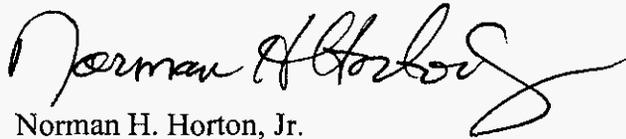
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Ms. Ann Cole, Commission Clerk  
September 1, 2010  
Page 2

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning same to me.

Thank you for your assistance with this filing.

Sincerely,

A handwritten signature in cursive script, appearing to read "Norman H. Horton, Jr.", written in black ink.

Norman H. Horton, Jr.

NHH:amb

cc: Mr. Jay Rish  
Mr. Ralph Roberson

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Application of Lighthouse Utilities )  
Company, Inc. for an Increased Water Rates )  
Gulf County )  
\_\_\_\_\_)

Docket No. 100128-WU  
Date Filed: September 1, 2010

**APPLICATION OF LIGHTHOUSE UTILITIES COMPANY, INC. FOR  
INCREASED WATER RATES IN GULF COUNTY**

Lighthouse Utilities Company, Inc. ("Lighthouse" or "the Company"), pursuant to Chapter 367, Florida Statutes, (2009) and Chapter 25-30, Florida Administrative Code, hereby files its Application for authority to increase water rates and charges and states as follows:

1. The name and principal business address of the Applicant is as follows:

Lighthouse Utilities Company, Inc.  
252 Marina Drive  
Port St. Joe, Florida 32456

2. Notices and communications with respect to this petition and docket should be

addressed to:

Norman H. Horton, Jr.  
Messer, Caparello & Self, P. A.  
P.O. Box 15579 (32317)  
2618 Centennial Place  
Tallahassee, FL 32308

William J. Rish, Jr.  
Lighthouse Utilities Company, Inc.  
252 Marina Drive  
Port St. Joe, FL 32456

3. The Company was incorporated on July 1, 1984, under the laws of the State of Florida and is currently authorized to conduct business in the State of Florida. Lighthouse is a Class B water utility providing service in Gulf County.

4. This Application is filed pursuant to Chapter 367, Florida Statutes.

5. The Company requests that this Application be processed pursuant to the Proposed Agency Action ("PAA") procedure outlined in Section 367.081 (8), Florida Statutes.

6. An Affidavit signed by William J. Rish, Jr., stating that Applicant will comply with the noticing requirements set forth in Rule 25-22.0407, Florida Administrative Code, for applications for water rate increases is attached hereto as Exhibit "A".

7. Although the Company has received an indexing and pass through increase, Lighthouse has not had a general rate increase since 1988 (Order No. 18897 entered February 22, 1988 in Docket no. 870627-WU). This review took place shortly after the Commission obtained jurisdiction of the Company (Order No. 17914, Docket No. 870308-WU, July 27, 1987). Other than as may be specifically identified in this filing, the Company does not know of any manner in which this application deviates from the policies, procedures or guidelines prescribed by the Commission and relevant rules prescribed by the Commission in Applicant's last rate case.

8. A check in the amount of \$3,500.00 accompanies this Application as the filing fee for the request for increased water rates.

9. This application and supporting documents may be inspected at the Company's business office located at 252 Marina Drive, Port St. Joe, Florida 32456.

10. The Minimum Filing Requirements containing financial, rate and engineering information required by Chapter 25-30, Florida Administrative Code, accompany this application as an Exhibit and are incorporated herein by reference.

11. The necessity for a rate increase arises from the fact that Lighthouse did not earn a fair and reasonable rate of return for the historical test year ending December 31, 2009. For the historical test year, the Company experienced a negative rate of return of 1.59%. The Company has used the historical test year as the basis for permanent rates pursuant to Section 367.081, Florida Statutes.

12. The Company continues to experience a deterioration of returns as a result of continuing increases in operating expenses and requires an increase in its rates and charges in order to meet its operating needs and to provide the capital needed for maintenance and system improvements.

13. The Company is currently experiencing a severe earnings shortfall and has used historical 2009 data for purposes of establishing permanent rates. The Company proposes and will establish in this proceeding that a fair and reasonable rate of return on its rate base is 9.33% based, in part, on a return on equity of 11.9%.

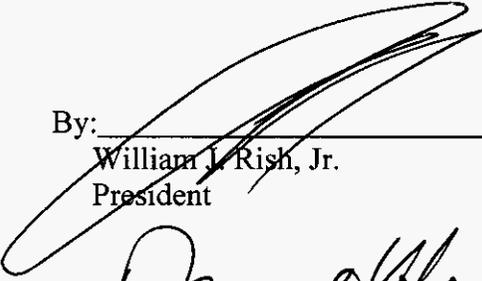
14. Based on the data and in order to have an opportunity to earn a fair and reasonable rate of return on its rate base for water services, the Commission should allow the Company to place into effect final rates which will produce increased annual operating revenues for water operations of \$177,450. Such increase would result in total annual water revenues of \$654,940.

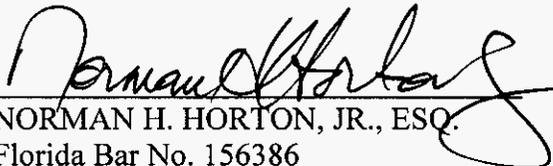
WHEREFORE, the Company requests:

- A. That the Commission take jurisdiction over this Application;
- B. That the Commission allow the Company to place into effect final rates which will produce additional operating revenues in the amount of \$177,450.
- C. That the Commission find that a fair and reasonable rate of return on the Company's rate base is 9.33% based on a return on equity of 11.9% for the projected test year ending December 31, 2009.; and
- D. That the Commission grant any other relief it deems fair, just, equitable and appropriate.

Respectfully submitted this 1<sup>st</sup> day of September, 2010.

FLORIDA PUBLIC UTILITIES COMPANY

By:   
\_\_\_\_\_  
William J. Rish, Jr.  
President

By:   
\_\_\_\_\_  
NORMAN H. HORTON, JR., ESQ.  
Florida Bar No. 156386  
MESSER, CAPARELLO & SELF, P.A.  
2618 Centennial Place (32308)  
Post Office Box 15579  
Tallahassee, FL 32317-5579  
(850) 222-0720

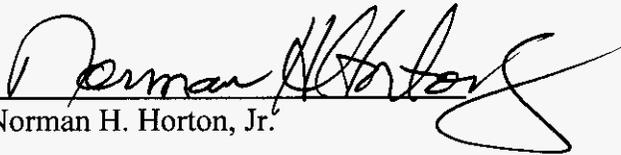
Attorneys for Lighthouse Utilities Company, Inc.

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served on the following parties by Hand Delivery (\*) and/or U.S. Mail this 1<sup>st</sup> day of September, 2010.

Lorena Holley, Esq. \*  
Office of the General Counsel  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison St., Room 812  
Tallahassee, FL 32399-1400

  
Norman H. Horton, Jr.

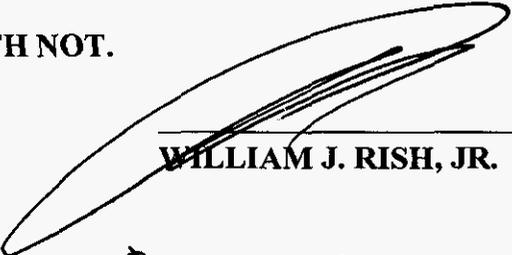
**AFFIDAVIT**

STATE OF FLORIDA       )  
COUNTY OF GULF       )

**BEFORE ME**, the undersigned authority, personally appeared **WILLIAM J. RISH, JR.**, who being by me first duly sworn, deposes and says:

- 1. That he is the President of Lighthouse Utilities Company, Inc.;
- 2. That in his capacity as President he has actual knowledge of the facts and representations set forth in this Affidavit; and
- 3. That he will cause representatives of Lighthouse Utilities Company, Inc. to comply with the notice and public information requirements for a general rate increase set forth in Section 25-22.0407 of the Florida Administrative Code, for the Application of Lighthouse Utilities Company, Inc. filed in Florida Public Service Commission Docket No. 100128-WU.

**FURTHER AFFIANT SAYETH NOT.**

  
 \_\_\_\_\_  
**WILLIAM J. RISH, JR.**

Sworn to and subscribed before me this 1<sup>st</sup> day of September, 2010, by **WILLIAM J. RISH, JR.** who  is personally known to me or [ ] has produced a \_\_\_\_\_ as identification and did not take an oath.



**CHERYL HAUN**  
Notary Public, State of Florida  
My Comm. Expires Nov. 26, 2011  
Commission No. DD 737014

  
 \_\_\_\_\_  
 Notary Public, State of Florida at Large  
 Printed: Cheryl Y. Haun  
 My Commission Expires: 11/26/11  
 Commission No. 737014

**EXHIBIT "A"**

LIGHTHOUSE UTILITIES COMPANY, INC.

WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

- AVAILABILTY - Available throughout the area serviced by the Company.
- APPLICABILITY - For water service so all customers for which no other schedule applies.
- LIMITATIONS - Subject to all of the Rules and Regulation of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -	<u>METER SIZE</u>	<u>BASE FACILITIES CHARGE</u>
	5/8 X 3/4"	\$ 20.00
	1"	\$ 50.02
	1 1/2"	\$ 100.06
	2"	\$ 160.10
	3"	\$ 320.22
	4"	\$ 500.32
	6"	\$ 1,000.66
	8"	\$ 1,601.06
	10"	\$ 2,301.53
	Gallonge Charge per 1,000 gallons	\$ 4.21

- MINIMUM CHARGE - Base Facilities Charge
- TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five working days written notice is mailed to the customer separate and apart from any other bill, service may then be disconnected.
- EFFECTIVE DATE -
- TYPE OF FILING - Rate Case, Test Year December 31, 2009

William J. Rish, Jr.  
President

LIGHTHOUSE UTILITIES COMPANY, INC.

WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

- AVAILABILITY - Available throughout the area serviced by the Company.
- APPLICABILITY - For water service for all purposes is private residential and individually Metered apartment units.
- LIMITATIONS - Subject to all of the Rules and Regulation of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -	<u>METER SIZE</u>	<u>BASE FACILITIES CHARGE</u>
	5/8 X 3/4"	\$ 20.00
	1"	\$ 50.02
	1 1/2"	\$ 100.06
	2"	\$ 160.10
	3"	\$ 320.22
	4"	\$ 500.32
	6"	\$ 1,000.66
	8"	\$ 1,601.06
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- EFFECTIVE DATE -
- TYPE OF FILING - Rate Case, Test Year December 31, 2009

William J. Rish, Jr.  
President

LIGHTHOUSE UTILITIES COMPANY, INC.

WATER TARIFF

MULTI-RESIDENTIAL SERVICE

RATE SCHEDULE RS

- AVAILABILTY - Available throughout the area serviced by the Company.
- APPLICABILITY - For water service to any master-metered residential customer including But not limited to Condominiums, Apartments, and Mobile Home Parks.
- LIMITATIONS - Subject to all of the Rules and Regulation of this Tariff and General Rules and Regulations of the Commission.
- BILLING PERIOD - Monthly

RATE -	<u>METER SIZE</u>	<u>BASE FACILITIES CHARGE</u>
	5/8 X 3/4"	\$ 20.00
	1"	\$ 50.02
	1 1/2"	\$ 100.06
	2"	\$ 160.10
	3"	\$ 320.22
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William J. Rish, Jr.  
President