

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 100126-WU

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In the Matter of:

APPLICATION FOR INCREASE IN WATER
RATES IN MARION COUNTY BY C.F.A.T.
H2O, INC.

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM 5

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER LISA POLAK EDGAR
COMMISSIONER RONALD A. BRISÉ
COMMISSIONER EDUARDO E. BALBIS
COMMISSIONER JULIE I. BROWN

DATE: Tuesday, August 9, 2011

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: JANE FAUROT, RPR
Official FPSC Reporter
(850) 413-6732

FLORIDA PUBLIC SERVICE COMMISSION DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

P R O C E E D I N G S

1
2 **CHAIRMAN GRAHAM:** Next we go to Item Number 5.

3 **MR. FLETCHER:** Commissioner, I'm Bart Fletcher
4 with Commission staff. Item 5 is staff's recommendation
5 to approve a rate increase for C.F.A.T. H2O, Inc. in
6 Marion County. Staff has an oral modification which has
7 been previously provided to the Commissioners and all
8 parties. Mr. Charles deMenzes is here on behalf of the
9 utility and available for questions by the Commissioners.
10 And, in addition, Mr. Eric Sayler and Ms. Tricia Merchant
11 are here from the Office of Public Counsel. Staff is
12 available to answer any questions you may have.

13 **CHAIRMAN GRAHAM:** Thank you very much.

14 OPC.

15 **MR. SAYLER:** Good morning, Mr. Chairman. My
16 name is Eric Sayler on behalf of the Office of Public
17 Counsel. I just wanted to thank you for this opportunity
18 to speak to this particular rate case. I do want to
19 commend staff for working with the Office of Public
20 Counsel on several issues that we had in the
21 recommendation which have since been resolved, and we want
22 to say thank you to staff for that.

23 We do have one particular issue, and that is the
24 issue of what we believe is excessive rate case expense,
25 and that is Issue 10. And that is the subject of that

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1 handout that was just passed out to you. We believe that
2 a reasonable and prudent utility owner of a Class C
3 utility should take advantage of the staff-assisted rate
4 case process, and at the appropriate time when you are
5 discussing rate case expense, I will have more to say to
6 that particular issue. And I'll save my comments until
7 then, unless you would prefer to hear from me at this
8 time.

9 **CHAIRMAN GRAHAM:** Right now is fine.

10 **MR. SAYLER:** All right. Thank you,
11 Commissioners, for the opportunity to speak to what we
12 would call the excessive rate case expense issue. This is
13 a small Class C utility with 221 low-income customers who
14 will have difficulty affording the recommended 73 percent
15 rate increase that staff is recommending.

16 If this were a Class B utility, this amount of
17 rate case expense would be a bargain and would be spread
18 among the many customers of that particular utility.
19 However, if you refer to this handout that was provided to
20 you, you will note that the recommended rate case expense
21 of a little over \$20,000 in staff's recommendation is more
22 than four times the average cost of a typical
23 staff-assisted rate case.

24 Further, the recommended rate case expense
25 accounts for approximately 16 percent of the overall rate

1 increase that is being recommended for this particular
2 utility. In other words, if the utility had availed
3 itself of the staff-assisted rate case process, as was its
4 statutory right, the customers would be paying
5 approximately 16 percent less in this rate increase. It
6 is our position that the rate case expense is clearly
7 unreasonable and imprudent, and, in fact, is excessive in
8 comparison with the average rate case expense for Class C
9 utilities that use the staff-assisted rate case process.

10 As a matter of public policy, the Legislature
11 enacted the SARC process, Section 367.0814, Florida
12 Statutes, in about 1989 so that small Class C utilities
13 like this one could take advantage of the staff-assisted
14 rate case process. And this public policy has worked well
15 and kept rate case expense low for over 20 years.
16 Moreover, the Office of Public Counsel believes that
17 prudent utility owners in similar circumstances as Mr.
18 diMenzes can and should take advantage of the SARC
19 statute, and that's why we believe that the recommended
20 rate case expense associated is excessive, unreasonable,
21 and imprudent. And, in fact, in some instances is
22 unsupported by the record or the filing as provided to
23 staff for review.

24 As staff noted in the recommendation, the
25 Commission has the authority to review and find reasonable

1 and prudent rate case expense, but also has the authority
2 to find specific rate case expense unreasonable and
3 imprudent. And if it does that, then it should disallow
4 that.

5 There are three instances, legal fees,
6 consulting fees, and miscellaneous expense that I can go
7 into further detail if you would like me to do that at
8 this time, or I can wait until you are on the issue.

9 **CHAIRMAN GRAHAM:** You may have the opportunity
10 in a minute.

11 Commissioner Brisé.

12 **COMMISSIONER BRISÉ:** Thank you, Mr. Chairman.

13 Just one question to the Office of Public
14 Counsel. And I'm sure you know, what does the utility
15 give up when it goes ahead and goes with the
16 staff-assisted rate case?

17 **MR. SAYLER:** It gives up the opportunity to
18 protest the outcome of that particular rate case.

19 **COMMISSIONER BRISÉ:** Okay. So then, generally,
20 from your perspective, the smaller utilities go the route
21 of a staff-assisted rate case because they generally can't
22 afford or don't have the capital to do it. In this case,
23 did you find that this particular utility or the owner had
24 the capital to go ahead and provide the financial support
25 for putting up his own rate case?

1 **MR. SAYLER:** My understanding is that the SARC
2 statute was established, one, to benefit the customers,
3 but also to benefit the utility owners so that they didn't
4 have to outlay capital that could potentially be
5 disallowed by the Commission, such as for legal fees, or
6 consulting fees, or miscellaneous. And that's one of the
7 benefits that the SARC statute has for customers and for
8 the utility, because it essentially allows the staff to
9 review the filing. And it takes a little bit longer, but
10 it gives the opportunity for the staff to fully vet this
11 process.

12 And we do note that this is a small utility with
13 a fairly straightforward filing. There were some
14 deficiencies in the MFRs that took two bites of the apple
15 to cure that, and then I wouldn't know how to characterize
16 how staff treated it, but it may have been treated similar
17 to a staff-assisted rate case, because it is such a small
18 utility, and also working with Mr. diMenzes, excuse me if
19 I get it wrong, because this is the first time that he is
20 representing his utility as a qualified representative.

21 **CHAIRMAN GRAHAM:** Commissioner Brisé.

22 **COMMISSIONER BRISÉ:** This question is to staff
23 with respect to your recommendation on the staff-assisted
24 rate case. If you could tell us how you got to the point
25 where you arrived with respect to the numbers that we have

1 before us today, and I think that will help us have some
2 perspective.

3 **MR. FLETCHER:** Yes, Commissioner Brisé. It
4 starts on Page 17 of staff's recommendation with Issue 10.
5 What we do as far as support for rate case expense, we
6 look at all the invoices done by each consultant, we look
7 at the tasks performed related to each hour for that
8 particular task. We have done so in this case. We have
9 removed the costs related to the MFR deficiencies that Mr.
10 Sayler mentioned earlier, so that was not -- we did not
11 recommend recovery of those related deficiencies.

12 As far it relates to this case of whether the
13 utility could have availed themselves of the
14 staff-assisted rate case procedure, again, the utility
15 may. It does not require, by statute, that they must seek
16 rate relief through the SARC process. And we were
17 cognizant of that as far that was available, that we
18 mention on Page 18, the last section of the consulting fee
19 section in the packet. You are correct that Mr. Sayler in
20 his addressing your question that the company does give up
21 something. If under the SARC statute that the Commission
22 approves rates that produces revenues greater than the
23 utility's existing rate, the utility cannot protest. And
24 that was a concern, I believe, and Mr. deMenzes can
25 correct me if I'm wrong, that that was his concern in

1 dealing with SARCs in the past that he did not want to
2 give up that right as far as due process in order to
3 protest, if he did not -- had disagreement with the PAA
4 order once it was issued.

5 So, again, as far as it relates to this case and
6 the cost of filing the MFRs, we believe they are
7 reasonable. Looking at the support, a lump sum payment
8 from consultant Tangibl, which is really the cost that you
9 would see, the difference as you were in a SARC. The main
10 cost of being isolated going the SARC route and file and
11 suspend is in a SARC the application is just eight pages.
12 It's very limited in a SARC, but in a file and suspend it
13 is pretty detailed financial information on the rate base,
14 cost of capital, and all that, wherein the lump sum
15 payment that the utility had paid was \$12,500. And,
16 again, that is a reasonable fee as it relates to file and
17 suspend rate cases and preparing MFRs.

18 **CHAIRMAN GRAHAM:** Commissioner Brown.

19 **COMMISSIONER BROWN:** Thank you.

20 Mr. Fletcher, you have answered my question
21 regarding whether the utility was required to file a SARC
22 or a file and protest. So I appreciate your response.

23 **CHAIRMAN GRAHAM:** Mr. deMenzes. Sorry if I
24 butchered your name.

25 **MR. deMENZES:** That's all right. Ninety-nine

1 percent of the people I talk to, they can't spell my name.
2 It's deMenzes.

3 **CHAIRMAN GRAHAM:** DeMenzes.

4 **MR. deMENZES:** It's Portuguese, you know, but
5 what can I say? Anyhow, if I might just say that this is
6 not the first time I have gone through a rate case. The
7 other three were SARCs. And the fact that I couldn't
8 protest was one of the reasons that I decided to do this
9 one myself.

10 The second reason was very simple. For an
11 attorney, it would have cost me \$40,000. So that's why I
12 decided to be my own, whatever you want to call it,
13 qualified rep. After 30 years, I figured I could do it;
14 right?

15 **CHAIRMAN GRAHAM:** Yes.

16 **MR. deMENZES:** So that's all there is to it.

17 **CHAIRMAN GRAHAM:** Are you an attorney?

18 **MR. deMENZES:** I won't answer that question.

19 (Laughter.)

20 **COMMISSIONER BROWN:** Smart.

21 **CHAIRMAN GRAHAM:** Actually, I could have
22 guessed, because you answered the question very quickly.

23 (Laughter.) We do appreciate it.

24 **MR. deMENZES:** Thank you very much, sir.

25 **CHAIRMAN GRAHAM:** Commission board.

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1 **COMMISSIONER BROWN:** Thank you, Mr. Chairman.

2 I have a question regarding Issue 8 regarding
3 the staff recommendation for a three percent increase in
4 salaries. And, Mr. Fletcher, if you could just explain
5 why staff is recommending an increase for this particular
6 case at this time?

7 **MR. FLETCHER:** Yes, Commissioner Brown. We are
8 recommending the three percent increase for this case
9 because it had been quite sometime since the utility has
10 sought rate relief. And this is distinguishable from a
11 recent decision that the Commission made in Aqua Utilities
12 Florida in that it was real recent since its last rate
13 case. They had an '08 rate case, and then they came in in
14 2010 for a rate case. And the Commission decided there,
15 since it had been so recent, that no increase should be
16 granted due to the economic times that we are in, and this
17 is, like we mentioned here in our recommendation, this is
18 more analogous to the Water Management Services, Inc.
19 where the Commission did allow a three percent increase
20 for that case even in light of the economic times. The
21 reason why is that it had been so long since its last rate
22 case.

23 **COMMISSIONER BROWN:** And if I may, how long was
24 the last rate case? I believe, in this case 1994?

25 **MR. FLETCHER:** Well, that was when, actually,

1 rate was established. For this case here, I went back and
2 did some searching, and they have never had a rate case
3 for this particular company.

4 **COMMISSIONER BROWN:** Okay. Well, thank you for
5 that explanation. And if I may continue with another
6 question on another issue. I just have a few.

7 Issue 13. This is a question for Ms. Thompson
8 regarding the appropriate water rate structure. Staff is
9 recommending a rate structure that results -- that the
10 bills would ultimately be higher than the Alternative 1
11 that was presented. Could you elaborate on the
12 recommendation?

13 **MS. THOMPSON:** Good morning, Commissioners. I'm
14 Kaley Thompson with staff.

15 Both staff's recommended rate structure, as well
16 Alternate 1, comply with the Commission's memorandum of
17 understanding with the water management districts to
18 promote a conservation-oriented rate structure. Staff's
19 reason for not recommending Alternate 1 is that having
20 this three-tier rate structure, while it does provide a
21 lower average bill, could have the appearance of being
22 punitive to a handful of the utility's high users.

23 **COMMISSIONER BROWN:** And could you explain how
24 many and what the average consumption is for this utility?

25 **MS. THOMPSON:** The average consumption for this

1 utility is 3.29 kgals.

2 **COMMISSIONER BROWN:** Okay. And the percentage,
3 I believe in our briefings you mentioned that one customer
4 is at 23 kgal.

5 **MS. THOMPSON:** Right. The highest bill this
6 utility was at 23 kgal.

7 **COMMISSIONER BROWN:** What is the percentage of
8 increase, rate increase under both the recommended rate
9 structure and the Alternative 1?

10 **MS. THOMPSON:** Okay. If we are looking at the
11 average bill?

12 **COMMISSIONER BROWN:** Uh-huh.

13 **MS. THOMPSON:** The average bill currently for a
14 customer is \$15.33. Staff's recommended rate structure
15 would produce an average bill of \$27.49, which is about a
16 79 percent increase. And Alternate 1 would produce a bill
17 of about 25.63, which is a 67 percent increase for the
18 average user.

19 **COMMISSIONER BROWN:** So across the board,
20 Alternate 1 saves the customers more money than the
21 recommended rate structure?

22 **MS. THOMPSON:** The average user, yes.

23 **COMMISSIONER BROWN:** The average user.

24 **MS. THOMPSON:** Yes.

25 **COMMISSIONER BROWN:** And does the Alternate 1

1 rate structure materially affect conservation?

2 **MS. THOMPSON:** It would not, no. Just because
3 the average usage is so low, it would really just put -- I
4 don't want to -- it would really just affect a handful of
5 high users.

6 **COMMISSIONER BROWN:** Okay.

7 **MS. THOMPSON:** There are really only about
8 9 percent of the users would even fall in that third tier
9 where the rate would be 11 dollars, so it would appear to
10 almost -- I don't want to say the brunt of the increase
11 would be on them, but a higher percentage of the increase
12 would be on those users.

13 **COMMISSIONER BROWN:** But the majority of users
14 would be paying -- they would all be paying, effectively,
15 a lower rate than under the recommended proposal?

16 **MS. THOMPSON:** Right. The average bill would be
17 lower with Alternate 1.

18 **COMMISSIONER BROWN:** Okay. Thank you. I will
19 reserve comments on that matter and defer to the
20 Commissioners for more discussion and questions.

21 **CHAIRMAN GRAHAM:** Any further discussion or
22 questions?

23 **COMMISSIONER BROWN:** I would propose that we
24 support the Alternative 1 rate structure, because, again,
25 going over the conversation that we just had with Ms.

1 Thompson, the majority of users would bear a lower rate
2 impact, as we discussed. It does not effect conservation
3 materially, and I think it's more advantageous for the
4 customers and the utility overall.

5 **CHAIRMAN GRAHAM:** I have a question. You said
6 about 9 percent of the users are in the higher range, the
7 higher usage. Any idea who those users are, what sort of
8 user they are?

9 **MS. THOMPSON:** You know, 9 percent represents
10 about 20 customers. There's only 217 residential
11 customers in this case, so it represents about
12 20 customers.

13 **CHAIRMAN GRAHAM:** And these are all residential?

14 **MS. THOMPSON:** Correct.

15 **CHAIRMAN GRAHAM:** And you said that the high
16 user is --

17 **MS. THOMPSON:** 23 kgals is the highest bill this
18 company had. And in the range of 13 kgal to 23 kgals,
19 there were only 12 bills. So it appears to be one high
20 user, and then the rest fall between the 6 and 13.

21 **CHAIRMAN GRAHAM:** And these are all residential?

22 **MS. THOMPSON:** Correct.

23 **CHAIRMAN GRAHAM:** Okay. Commissioner Brown, was
24 that a motion?

25 **COMMISSIONER BROWN:** That is.

1 **CHAIRMAN GRAHAM:** It has been moved and seconded
2 that we go with Option 1 on Issue 13.

3 Commissioner Edgar.

4 **COMMISSIONER EDGAR:** Thank you, Mr. Chairman.

5 Before we proceed to a vote on that, I would
6 like to hear from the utility. I'm sure he knows a great
7 deal about his customers and their use, and if you have
8 any thoughts on that, I would be interested.

9 **MR. deMENZES:** Thank you, ma'am. You're picking
10 on me. I need to break down what we have. These are all
11 rental units, and they consist of two apartment complexes.
12 One of them are units without washer and dryer, and they
13 use a common laundromat. The other -- and that's only
14 about 96 units.

15 The other one is 100-something, and they have
16 their internal washer and dryer. So what happens is that
17 group is going to be -- they are going to use probably an
18 average of four to 4,100 gallons a month, where the first
19 group is probably going to use between twelve and 1,500,
20 2,000 maybe. So it's kind of a, you know, disparity
21 there. One subdivision is going to be hit more with the
22 tiered rating, but I don't know how -- I mean, it's going
23 to -- if you go with a base facility charge and a flat
24 charge, then the 96 unit people are going to be paying a
25 lower rate only because they are only using, you know,

1 twelve to 1,500 gallons a month, but they are paying a
2 higher base charge.

3 If you go with the tiered, then the 96 unit
4 people are going to be on the lower end, and the other
5 units are going to be on the higher end. So it's a
6 tradeoff. I've looked at both. I've have calculated
7 both, and the dollars come out the same, but the advantage
8 is going with the tiered for the 96 unit group. They are
9 the ones that would be paying less from a consumer
10 standpoint.

11 **COMMISSIONER EDGAR:** Thank you.

12 **CHAIRMAN GRAHAM:** Commissioner Balbis.

13 **COMMISSIONER BALBIS:** Thank you, Mr. Chairman.

14 And I appreciate the representative from the
15 utility explaining the customer base. And, you know, I
16 was surprised to see how low their monthly usage is, and
17 that makes sense with the type of customers that you have.
18 You know, obviously the goal of a rate block structure
19 like this is to encourage conservation, and usually the
20 majority of usage that's discretionary is for irrigation,
21 which I doubt this is the case with these numbers, as
22 well.

23 I mean, I will support the motion. I think
24 that, again, you know, the dollars are going to end up the
25 same. I don't know how much we're going to encourage any

1 behavioral modification. I mean, people aren't going to
2 stop washing their clothes. But, again, I think this is
3 an appropriate solution. And, again, I appreciate the
4 comments from the utility. And I'll support the motion.

5 **MR. FLETCHER:** Mr. Chairman, if I may, if the
6 motion does capsule the oral modification that was
7 mentioned, I just wanted to make that for the record.

8 **COMMISSIONER BROWN:** Thank you. It does.

9 **CHAIRMAN GRAHAM:** Okay. Any further discussion
10 on the Brown amendment?

11 Seeing none. All in favor say aye.

12 (Vote taken.)

13 **CHAIRMAN GRAHAM:** Any opposed?

14 By your action, you have approved Option 1 on
15 Issue 13. Any further changes or discussion on Item
16 Number 5? Can I get a motion?

17 Commissioner Edgar.

18 **COMMISSIONER EDGAR:** I think it moves; I have a
19 hard time finding it.

20 Thank you, Mr. Chairman.

21 I would point out that I think Mr. Sayler made a
22 number of good points in his discussion about rate case
23 expense, but I also believe that from the information that
24 we have heard and is before us, that the utility took
25 steps to minimize the rate case expense with the option

1 that they chose to proceed. And so with that in mind, Mr.
2 Chairman, I would move the staff recommendation on all
3 remaining issues.

4 **CHAIRMAN GRAHAM:** It has been moved and
5 seconded, staff's recommendation on all remaining issues.

6 **COMMISSIONER EDGAR:** As modified.

7 **CHAIRMAN GRAHAM:** As modified. Any further
8 discussion?

9 Yes, sir.

10 **MR. SAYLER:** Thank you, Mr. Chairman.

11 I know you have a motion and it has been
12 seconded. There are just a few specifics regarding legal
13 fees, consulting fees, and the miscellaneous that I hadn't
14 had an opportunity to bring out earlier.

15 **CHAIRMAN GRAHAM:** Sure. Go ahead.

16 **MR. SAYLER:** With regard to legal fees, we don't
17 believe that the legal fees, approximately \$839, that's
18 for the qualified representative status are reasonable. I
19 would also like to note that in a footnote on Page 18 of
20 the recommendation it notes that Mr. deMenzes will also be
21 representing Trade Winds, which will be coming before your
22 consideration at the next agenda. If you do think that
23 these legal fees should be allowed, then that expense
24 should be apportioned between all the various utilities
25 that he owns, and Mr. deMenzes has indicated that he owns

1 more than just these two utilities.

2 With regard to the consultant fees, my
3 understanding is a flat fee arrangement, which did not
4 provide staff an opportunity to vet the hours spent, the
5 invoices and things of that nature regarding the
6 consultant. Now, Mr. Fletcher had mentioned that they did
7 have an opportunity to look at it, but I didn't see that
8 in the staff recommendation. And if they had an
9 opportunity to look at the various hours spent by the
10 consultant in preparation of this particular rate case to
11 determine that all those hours and time spent were
12 reasonable, then we will not quibble about that. But from
13 the face of the recommendation, it appeared that the rate
14 case expense for the miscellaneous -- or, excuse me, for
15 the consultant was unsupported.

16 And then as far as Mr. deMenzes' fees himself, a
17 little over \$4,800, staff's recommendation says that the
18 utility did not provide a breakdown for each task
19 performed or their associated hours. That's on Page 18,
20 last paragraph. So that is why we feel that much of the
21 rate case expense being recommended is unsupported and,
22 therefore, in our opinion, excessive and unreasonable.
23 Thank you for your indulgence.

24 **CHAIRMAN GRAHAM:** Thank you.

25 **COMMISSIONER EDGAR:** Mr. Fletcher.

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1 **MR. FLETCHER:** Yes, if I may. With regard to
2 Tangibl, what was provided was a detailed contract between
3 Tangibl and the utility of the MFR preparation. Based on
4 the duties or what was outlined in that contract, staff
5 felt reasonable in knowing what goes into the minimum
6 filing requirements. We felt that that lump sum amount
7 was reasonable. And they did clearly delineate in that
8 contract exactly what they were doing in their
9 preparation. That goes to the consulting fees, as relates
10 to the legal fees, that we did have separate invoices for
11 C.F.A.T. as well as for Trade Winds with regard to the
12 test year approval that was done by Rose, Sundstrom &
13 Bentley, and then as far as the qualified representative
14 application that Rutledge Ecenia and Purnell had helped
15 with Mr. deMenzes on was a separate invoice. So they were
16 clearly distinct with C.F.A.T. and Trade Winds. As it
17 relates to the last issue on miscellaneous expenses with
18 Mr. deMenzes' time, there was not a lot of breakdown as
19 far as his time and what he spent. He had basically gave
20 an average hours that he performed over this last,
21 perhaps, 60 weeks as what he had down, and what we did is,
22 because there was no breakdown provided, and basically in
23 this case he took the substitution of counsel as a
24 qualified representative. We looked at four recent rate
25 cases, looked at what a legal consultant would perform and

1 those hours, and we came up with the average hours that is
2 listed on Page 19 of staff's recommendation of 122 to
3 determine what a reasonable fee would be, or an amount
4 would be as the qualified representative.

5 **COMMISSIONER EDGAR:** Thank you. I'm comfortable
6 still moving forward with the motion that I made. I
7 appreciate the additional information.

8 **CHAIRMAN GRAHAM:** All in favor?
9 (Vote taken.)

10 **CHAIRMAN GRAHAM:** Any opposed? By your action,
11 you have approved staff recommendation on the remainder of
12 Item 5.

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1 STATE OF FLORIDA)

2 : CERTIFICATE OF REPORTER

3 COUNTY OF LEON)

4
5 I, JANE FAUROT, RPR, Chief, Hearing Reporter
6 Services Section, FPSC Division of Commission Clerk, do
7 hereby certify that the foregoing proceeding was heard
8 at the time and place herein stated.

9 IT IS FURTHER CERTIFIED that I
10 stenographically reported the said proceedings; that the
11 same has been transcribed under my direct supervision;
12 and that this transcript constitutes a true
13 transcription of my notes of said proceedings.

14 I FURTHER CERTIFY that I am not a relative,
15 employee, attorney or counsel of any of the parties, nor
16 am I a relative or employee of any of the parties'
17 attorney or counsel connected with the action, nor am I
18 financially interested in the action.

19 DATED THIS 23rd day of August, 2011.

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JANE FAUROT, RPR
Official FPSC Hearings Reporter
(850) 413-6732

Opc
 Parties/Staff Handout
 Internal Affairs/Agenda
 on 8/10/11
 Item No. 5

Rate Case Expense Comparison

SARC Historical Rate Case Expense						
Name	Docket #	Order #	Date	W/WW # of Customers	Total Rate Case Exp.	Annual Amortiz
Orangewood Lakes Services	070680	08-0831	12/23/2008	223/190	\$ 2,377	\$ 594
CWS Communities	080715	09-0587	8/31/2009	290	\$ 676	\$ 169
Damon Utilities	080709	09-0618	9/11/2009	278	\$ 2,137	\$ 534
Fairmount Utilities	080668	09-0628	9/17/2009	442	\$ 2,248	\$ 562
Hidden Valley SPE/ Orange Lake Utilities	080714	09-0647	9/24/2009	248/242	\$ 3,448	\$ 862
Keen Sales, Rentals & Utilities	090072	09-0716	10/28/2009	114	\$ 691	\$ 173
Neighborhood Utilities	090060	10-0024	1/11/2010	429	\$ 3,056	\$ 764
TLP Water	090244	10-0124	3/1/2010	53	\$ 601	\$ 150
Camanchee Island Company	090230	10-0126	3/3/2010	92	\$ 4,080	\$ 1,020
Brendenwood Water System	090346	10-0167	3/23/2010	58	\$ 337	\$ 84
Mobile Manor Water Co.	090170	10-0299	5/10/2010	313	\$ 1,528	\$ 382
Alturas	090477	10-0380	6/15/2010	622	\$ 1,498	\$ 375
Palm Valley Utilities	090447	10-0606	10/4/2010	793	\$ 2,555	\$ 639
Pinecrest Ranches	090414	10-0681	11/15/2010	152	\$ 806	\$ 201
Lake Placid Utilities *	090531	11-0015	1/5/2011	122/192	\$ 39,943	\$ 9,986
Commercial Utilities	100326	11-0138	2/28/2011	43	\$ 3,449	\$ 862
Average Rate Case Expense=					\$4,339	\$1,085
* a Utilities, Inc. system					(Last updated as of June 2011)	
Staff Recommended Rate Case Expense						
CFAT H2O, Inc.	100126			221	\$20,234	\$5,061