

410 Washington Blvd. NW Lake Placid, Florida 33852

Office: (863) 465-0345 Water Plant: (863) 465-2427 Fax: (863) 465-1313

FILED OCT 24, 2013

October 21, 2013

Director, Division of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

COMMISSION

Re: Placid Lakes Utilities, Inc. Application For Amendment of Certificate

Please find enclosed an application to amendment of certificate.

This amendment is to correct the omission of a county section of the original platted subdivision description on the current certificate. This is not an addition of territory, as the current area has been continually served since the 1980's as permitted territory for Placid Lakes Utilities, Inc.

Sincerely,

Pam Brewer Vice President/Secretary

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# APPLICATION FOR AMENDMENT OF CERTIFICATE (EXTENSION OR DELETION) (Pursuant to Section 367.045, Florida Statutes)

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

The undersigned hereby makes application for amendment of Water Certificate No. 401 W and/or Wastewater Certificate No. N/A to Add (add or delete) territory located in <u>Highlands</u> County, Florida, and submits the following information:

# PARTI <u>APPLICANT INFORMATION</u>

A) The full name (as it appears on the certificate), address and telephone number of the applicant:

PLACID LAKES UT	TILITIES, INC.	
Name of utility		
(863) 465-0345		(863)465-1313
Phone No.		Fax No.
<u>410 Washington Bo</u> Office street address	Dulevard NW	
Lake Placid	FI.	33852
City	State	Zip Code
B) The name, address application:	ble	r of the person to contact concerning this
Pam Brewer		(863) 465-0345
Name		Phone No.
410 Washington H	Boulevard NW	
Street address		
Lake Placid	FL	33852
City	State	Zip Code

# PART II NEED FOR SERVICE

- A) Exhibit <u>A</u> If the applicant is requesting an extension of territory, a statement regarding the need for service in the proposed territory, such as anticipated development in the proposed service area.
- B) Exhibit <u>N/A</u> If the applicant is requesting a deletion of territory, a statement specifying the reasons for the proposed deletion, demonstrating that it is in the public interest and explaining the effect of the proposed deletion on the ability of any customer, or potential customer, to receive water and/or wastewater service, including alternative source(s) of service.
- C) Exhibit N/A A statement that to the best of the applicant's knowledge, the provision of service will be consistent with the water and wastewater sections of the local comprehensive plan at the time the application is filed, as approved by the Department of Community Affairs, or, if not, a statement demonstrating why granting the amendment would be in the public interest.

# PART III SYSTEM INFORMATION

- A) <u>WATER</u>
  - Exhibit <u>N/A-</u> A statement describing the proposed type(s) of water service to be provided by the extension (i.e., potable, nonpotable or both).
  - (2) Exhibit <u>N/A</u>- A statement describing the capacity of the existing lines, the capacity of the existing treatment facilities, and the design capacity of the proposed extension.
  - (3) Exhibit <u>N/AThe numbers and dates of any construction or operating permits</u> issued by the Department of Environmental Protection for the system proposed to be expanded.
  - (4) Exhibit <u>N/AA</u> description of the types of customers anticipated to be served by the extension, i.e., single family homes, mobile homes, duplexes, golf course, clubhouse, commercial, etc.
  - (5) If the utility is requesting a deletion of territory, provide the number of current active connections within the territory to be deleted. N/A

(6) Exhibit <u>N/A</u>- Evidence the utility owns the land where the water facilities that will serve the proposed territory are, or will be, located. If the utility does not own the land, a copy of the agreement, such as a 99-year lease, which provides for the long term continuous use of the land. The Commission may consider a written easement or other cost-effective alternative.

# B) <u>WASTEWATER</u> N/A

- Exhibit <u>N/A</u>- A statement describing the capacity of the existing lines, the capacity of the existing treatment and disposal facilities, and the design capacity of the proposed extension.
- (2) Exhibit <u>N/AThe numbers and dates of any construction or operating permits</u> issued by the Department of Environmental Protection for the system proposed to be expanded.
- (3) Exhibit <u>N/A-</u> If the utility is planning to build a new wastewater treatment plant, or upgrade an existing plant to serve the proposed territory, provide a written description of the proposed method(s) of effluent disposal.
- (4) Exhibit <u>N/A</u> If (3) above does not include effluent disposal by means of reuse, provide a statement that describes with particularity the reasons for not using reuse.
- (5) Exhibit <u>N/AA</u> description of the types of customers anticipated to be served by the extension, i.e., single family homes, mobile homes, duplexes, golf course, clubhouse, commercial, etc.
- (6) If the utility is requesting a deletion of territory, provide the number of current active connections within the territory to be deleted. N/A
- (7) Exhibit <u>N/A</u> Evidence the utility owns the land where the wastewater facilities that will serve the proposed territory are, or will be, located. If the utility does not own the land, a copy of the agreement, such as a 99-year lease, which provides for the long term continuous use of the land. The Commission may consider a written easement or other cost-effective alternative.

# PART IV FINANCIAL AND TECHNICAL INFORMATION

- A) Exhibit <u>1.1</u>- A statement as to the applicant's technical and financial ability to render reasonably sufficient, adequate and efficient service.
- B) Exhibit <u>N/AA</u> detailed statement regarding the proposed method of financing the construction, and the projected impact on the utility's capital structure.
- C) Provide the number of the most recent Commission order establishing or amending the applicant's rates and charges.  $\underline{WS-12-0015}$
- D) Exhibit <u>N/A</u> A statement regarding the projected impact of the extension on the utility's monthly rates and service availability charges.

# PART V TERRITORY DESCRIPTION AND MAPS

A) <u>TERRITORY DESCRIPTION</u>

Exhibit <u>3.1</u> - An accurate description of the territory proposed to be added or deleted, using township, range and section references as specified in Rule 25-30.030(2), F.A.C. If the water and wastewater territory is different, provide separate descriptions.

# B) <u>TERRITORY MAPS</u>

Exhibit <u>3B</u> - One copy of an official county tax assessment map or other map showing township, range and section with a scale such as 1"=200' or 1"=400' on which the proposed territory to be added or deleted is plotted by use of metes and bounds or quarter sections and with a defined reference point of beginning. If the water and wastewater territory is different, provide separate maps.

# C) <u>SYSTEM MAPS</u>

Exhibit <u>3C</u> - One copy of detailed map(s) showing proposed lines and facilities and the territory proposed to be served. Map(s) shall be of sufficient scale and detail to enable correlation with a description of the territory proposed to be served. Provide separate maps for water and wastewater systems.

# PART VI NOTICE OF ACTUAL APPLICATION

- A) Exhibit <u>N/A</u> An affidavit that the notice of actual application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following:
  - the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located;
  - (2) the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and are located within the county in which the territory proposed to be served is located;
  - (3) if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties that hold a certificate granted by the Commission;
  - (4) the regional planning council;
  - (5) the Office of Public Counsel;
  - (6) the Public Service Commission's Office of Commission Clerk;
  - (7) the appropriate regional office of the Department of Environmental Protection; and
  - (8) the appropriate water management district.

Copies of the Notice and a list of entities noticed shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT

- B) Exhibit <u>N/A</u> An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system. A copy of the notice shall accompany the affidavit. <u>THISMAY BEALATE-FILED EXHIBIT.</u>
- C) Exhibit <u>N/A</u> Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. <u>THISMAY BEA</u> <u>LATE-FILED EXHIBIT</u>.

# PART VII <u>FILING FEE</u>

Indicate the filing fee enclosed with the application:

\$ 100.00 (for water) and/or \$ N/A (for wastewater).

<u>Note</u>: Pursuant to Rule 25-30.020, Florida Administrative Code, the amount of the filing fee is as follows:

- (1) For applications in which the area to be extended or deleted has the proposed capacity to serve up to 100 ERCs, the filing fee shall be \$100.
- (2) For applications in which the area to be extended or deleted has the proposed capacity to serve from 101 to 200 ERCs, the filing fee shall be \$200.
- (3) For applications in which the area to be extended or deleted has the proposed capacity to serve from 201 to 500 ERCs, the filing fee shall be \$500.
- (4) For applications in which the area to be extended or deleted has the proposed capacity to serve from 501 to 2,000 ERCs, the filing fee shall be \$1,000.
- (5) For applications in which the area to be extended or deleted has the proposed capacity to serve from 2,001 to 4,000 ERCs, the filing fee shall be \$1,750.
- (6) For applications in which the area to be extended or deleted has the proposed capacity to serve more than 4,000 ERCs, the filing fee shall be \$2,250.

# PART VIII TARIFF AND ANNUAL REPORTS

- A) Exhibit <u>4</u>.0 An affidavit that the utility has tariffs and annual reports on file with the Commission.
- B) Exhibit<sup>4</sup>.1 The original and two copies of proposed revisions to the utility's tariff(s) to incorporate the proposed change to the certificated territory. Please refer to Rules 25-9.009 and 25-9.010, Florida Administrative Code, regarding page numbering of tariff sheets before preparing the tariff revisions. (The rules and sample tariff sheets are attached.)

# AFFIDAVIT

# TARIFFS AND ANNUAL REPORTS

I, Peggy Ann Brewer, attest that Placid Lakes Utilities, Inc. has a current tariff on file with the Florida Public Service Commission and has filed annual reports every year with the Commission.

B Peggy Ann Brewer

Vice President/Secretary

State of Florida County of Highlands

Sworn to before me this 18th day of OCtober, 2013 by Peggy Ann Brewer who is

the. Courtney@onklin



4.0

# PARTIX <u>AFFIDAVIT</u>

I Peggy Ann Brewer (applicant) do solemnly swear or affirm that the facts stated in the forgoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitutes a complete statement of the matter to which it relates.

Applicant's Signature

Peggy Ann Brewer Applicant's Name (Typed)

Vice President/Secretary

Applicant's Title \*

Subscribed and sworn to before me this 18th day in the month of October

in the year of 2013 by Peggy Ann Brewer who is personally known to me

or produced identification Type of Identification Produced Notary Public's Signature Notary Public State of Florida Courtney A Conklin My Commission EE 197910 Expires 05/13/2016 Print, Type or Stamp Commissioned Name of Notary Public

\* If applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

# SAMPLE PUBLICATION / LEGAL NOTICE FOR

N/A

# APPLICATION FOR AMENDMENT OF CERTIFICATE (EXTENSION OR DELETION)

(Section 367.045, Florida Statutes)

# LEGAL NOTICE

Notice is here	by given on (date)	, pursuant to Se	ection 367.045, Florida
Statutes, of the applic	ation of (name of utility)		to amend its Water
Certificate No.	_ and/or Wastewater Certificate No.	to	(add or delete)
territory in (County) _	, Florida as follows:		

(Insert a brief description of the area proposed to be served. Use the Survey of Public Lands method (township, range, section, and quarter section) if possible, or a metes and bounds description, and also the subdivision or project name. The description should <u>NOT</u> refer to land grants or plat books, but may use geographic boundaries (i.e., road right-of-ways, railroads, rivers, creeks, etc.). The object is to make the description as brief, but as accurate as possible.)

Any objection to the said application must be made in writing <u>and filed</u> with the Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

(Utility name and address)

22

NAME OF COMPANY PLACID LAKES UTILITIES, INC.

WATER TARIFF

# TERRITORY SERVED

CERTIFICATE NUMBER - 401 W

COUNTY - HIGHLANDS

# COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

Order Number Date Issued Docket Number Filing Type

See Attached Certificate

Laura Elowsky ISSUING OFFICER

President

TITLE



Certificate Number 401 - W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to:

PLACID LAKES UTILITIES, INC.

Whose principal address is: 410 Washington Boulevard NW 2000 Jefferson Avenue, North Lake Placid, FL 33852 (Highlands County)

to provide water service in accordance with the provision of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER 12954 ORDER 17372 ORDER 22164 ORDER PSC-97-1148-FOF-WU ORDER PSC-98-0687-FOF-WU ORDER ORDER ORDER ORDER

ORDER

ORDER

ORDER

ORDER

DOCKET 820478-W 860532-WU DOCKET DOCKET 891158-WU 970231-WU DOCKET 971204-WU DOCKET DOCKET DOCKET DOCKET DOCKET DOCKET DOCKET DOCKET

BY ORDER OF THE FLORIDA PUBLIC SERVICE COMMISSION

Director Division of Records and Reporting NAME OF COMPANY PLACID LAKES UTILITIES, INC.

WATER TARIFF

# DESCRIPTION OF TERRITORY SERVED

TOWNSHIP 37 SOUTH, RANGE 29 EAST

SECTION 9

The East 1/2 of Section 9

SECTION 10

All of said Section 10 lying South and West of Lake June in Winter (also, known as Lake Sterns)

SECTION !!

All of said Section 11 lying South and West of Catfish Creek

SECTION 13

That portion of platted sub-division lying in western 1/4 of Sec.13

SECTION 14

All of said Section 14 lying South and West of Catfish Creek

SECTION 15

The East 1/2 of Section 15

SECTIONS 22, and 23

All of said Sections 22 and 23

(Continued to Sheet No. 3.2

Laura Elowsky

President

TITLE

#### PLACID LAKES UTILITIES, INC. WATER TARIFF

FIRST REVISED SHEET NO. 3.2 CANCELS ORIGINAL SHEET NO. 3.2

#### TERRITORY SERVED

#### CATFISH CREEK ROAD

#### ORDER NO. PSC-97-1148-FOF-WU

#### Township 37 South, Range 29 East in Sections 2 and 11

Commence at the Southeast corner of Section 2, Township 37 South, Range 29 East; thence run North 0°13'0" West along the East Section Line of said Section 2 for a distance of 780.16 feet to the Point of Beginning; thence continue North 0°13'0" West along the East Section Line of said Section 2 for a distance of 962.36 feet; thence run South 83°36'0" West for a distance of 455.19 feet; thence run South 1°38'25" East for a distance of 739.01 feet; thence run South 50°42'2" West for a distance of 1,599.11 feet; thence run South 59°55'57" West for a distance of 1,888.03 feet; thence run South 82°7'25" West for a distance of 1,070.81 feet, thence run South 38°16'10" East for a distance of 310.00 feet; thence run along the arc of a curve to the left having the following elements: (Radius 500.00 feet, Central angle = 8°52'0". Arc length 77.38 feet, Chord length = 77.30 feet, Chord Bearing = South 42°41'44" East), thence run South 47°8'10" East for a distance of 888.54 feet; thence run North 42°51'50" East for a distance of 373.44 feet; thence run North 65°22'58" East for a distance of 470.85 feet; thence run North 80°57'52" East for a distance of 605.70 feet; thence run North 80°58'39" East for a distance of 815.00 feet; thence run South 89°08'52" East for a distance of 130.75 feet; thence run South 88°47'43" East for a distance of 386.18 feet; thence run along the arc of a nontangential curve to the left having the following elements: (Radius 1,000.00 feet, Central angle = 79°0'52". Arc length 1,379.06 feet, Chord length = 1,272.35 feet, Chord Bearing = North 23°59'16" West); thence run North 54°25'0" East for a distance of 1,704.89 feet to the Point of Beginning, containing 4,135,082 square feet or 94.9284 acres more or less.

(Continued to Sheet No. 3.3)

PLACID LAKES UTILITIES, INC.FIRST REVISED SHEET NO. 3.3WATER TARIFFCANCELS ORIGINAL SHEET NO. 3.3

#### TERRITORY SERVED

This sheet held for future use.

(Continued to Sheet No. 3.4)

PLACID LAKES UTILITIES, INC. FIRST REVISED SHEET NO. 3.4 WATER TARIFF CANCELS ORIGINAL SHEET NO. 3.4

#### TERRITORY SERVED

This sheet held for future use.

NAME OF COMPANY PLACID LAKES UTILITIES, INC.

WATER TARIFF

#### DESCRIPTION OF TERRITORY SERVED

TOWNSHIP 37 SOUTH, RANGE 29 EAST

SECTION 9

The East 1/2 of Section 9

SECTION 10

All of said Section 10 lying South and West of Lake June in Winter (also, known as Lake Sterns)

SECTION II

All of said Section 11 lying South and West of Catfish Creek

SECTION 13

That portion of platted sub-division lying in western 1/4 of Sec.13

SECTION 14

All of said Section 14 lying South and West of Catfish Creek

SECTION 15

The East 1/2 of Section 15

SECTIONS 22, and 23

All of said Sections 22 and 23

(Continued to Sheet No. 3.2

Laura Elowsky

ISSUING OFFICER

President

TITLE

WATER TARIFF

PLACID LAKES UTILITIES, INC. FIRST REVISED SHEET NO. 3.2 CANCELS ORIGINAL SHEET NO. 3.2

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(Continued to Sheet No. 3.3)

PLACID LAKES UTILITIES, INC.FIRST REVISED SHEET NO. 3.3WATER TARIFFCANCELS ORIGINAL SHEET NO. 3.3

#### TERRITORY SERVED

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(Continued to Sheet No. 3.4)

PLACID LAKES UTILITIES, INC.FIRST REVISED SHEET NO. 3.4WATER TARIFFCANCELS ORIGINAL SHEET NO. 3.4

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WATER TARIFF

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SECTION 14

All of said Section 14 lying South and West of Catfish Creek

SECTION 15

The East 1/2 of Section 15

SECTIONS 22, and 23

All of said Sections 22 and 23

(Continued to Sheet No. 3.2

Laura Elowsky

ISSUING OFFICER

President

TITLE

WATER TARIFF

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#### TERRITORY SERVED

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PLACID LAKES UTILITIES, INC.FIRST REVISED SHEET NO. 3.3WATER TARIFFCANCELS ORIGINAL SHEET NO. 3.3

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(Continued to Sheet No. 3.4)

PLACID LAKES UTILITIES, INC.FIRST REVISED SHEET NO. 3.4WATER TARIFFCANCELS ORIGINAL SHEET NO. 3.4

# TERRITORY SERVED

This sheet held for future use.

N/A

NAME OF COMPANY \_\_\_\_\_

WASTEWATER TARIFF

# TERRITORY SERVED

CERTIFICATE NUMBER -

COUNTY -

# COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

Order Number Date Issued Docket Number Filing Type

**ISSUING OFFICER** 

TITLE

NAME OF COMPANY \_\_\_\_\_

WASTEWATER TARIFF

# DESCRIPTION OF TERRITORY SERVED

ISSUING OFFICER

TITLE

# PLACID LAKES UTILITES, INC

# APPLICATION FOR INCREASE IN RATES IN HIGHLANDS COUNTY, FLORIDA

DOCKET NO. 130025-WU

SYNOPSIS

# **TABLE OF CONTENTS**

Purpose	3
Comparison of the Rates Prior to Filing and Proposed Final Rates	3-4
General Reasons for Rate Request	4
Major Rate Case Issues	4
Description of the Rate Making Process	5-7
Tentative Time Schedule	7
Location of MFRs for Review	8

# I. Purpose

In accordance with the Florida Public Service Commission's Rule 25-22.0407 regarding Notice of and Public Information on General Rate Increase Requests, a utility requesting a rate increase must prepare and distribute a synopsis of the rate request. The following information will provide the background on the rate request of Placid Lakes Utilities, Inc. (the "Utility") and the rate case process in general.

# II. Comparison of the Rates Prior to Filing, Interim and Proposed Final Rates

On April 24. 2013, the Utility filed an application with the Florida Public Service Commission ("Commission") for increased water rates for its customers in Highlands County, Florida. The application was assigned Docket No. 130025-WU and June 4, 2013, was established as the official date of filing.

The Utility has requested a permanent revenue increase for its water system of \$142,678 (22.49%), which would produce annual revenues of \$777,146. The Utility's rates prior to filing the Application, and the Utility's requested rates are set forth below.

# WATER RATES

Residential and General Service	<u>Rates Prior</u> to Filing	<u>Utility's</u> <u>Requested</u> <u>Final Rates</u>
Base Facility Charge:	c	
Meter Size		
5/8" x 3/4"	\$10.95	\$12.09
1"	\$27.37	\$30.23
1 1/2"	\$54.74	\$60.45
2"	\$87.58	\$96.72
3"	\$175.16	\$194.44
4"	\$273.70	\$302.25
6"	\$547.39	\$604.51

Consumption Charge (per 1,000 gallons)		
Residential		
0-10,000 gallons	\$4.10	\$5.56
10,001-20,000 gallons	\$6.16	\$8.34
Over 20,000	\$8.20	\$11.12
General Service	\$4.39	\$5.95

#### SERVICE AVAILABILITY CHARGES

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

# III. General Reasons for Rate Request

The Utility is requesting a rate increase because the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and a fair return on the Utility's investment in used and useful property for the public use. The rate of return on equity requested in this proceeding is 8.79%. The overall return requested (the weighted cost of debt and equity) is 8.62%. According to the Utility's books, Placid Lakes Utilities, Inc. states that its current overall rate of return without a rate increase is a negative 6.64% The Company's last rate proceeding and review of rate base was in Docket No. 080353-WU, utilizing a test year ending December 31, 2008, which culminated in Order No. PSC-09-0632-PAA-WU, issued September 17, 2009.

# IV. Major Rate Case Issues

It is impossible to anticipate all the issues that may develop during a rate case. However, the following issues are anticipated to be the major areas considered:

- 1. What is the test year rate base?
- 2. What is the test year net operating income?
- 3. What is the test year cost of capital?
- 4. What is the test year revenue requirement?
- 5. What is the proper rate design to recover the test year revenue requirement?

**Description of the Ratemaking Process** 

#### Participants

V.

Many people are involved in a utility rate case. The following is a list of some of the main participants:

- 1. The Commission is composed of five **Commissioners** appointed by the Governor. If a Proposed Agency Action Order is protested by a substantially affected person, a hearing is scheduled and is usually heard by a panel of three Commissioners. The Commissioners who hear this case will make a final decision on all of the issues in the case.
- 2. The Commissioners are assisted by **Commission Staff.** The Staff members involved in the case include engineers, accountants, attorneys, consumer affairs specialists, and rate and financial analysts.
- 3. The **Public Counsel** is appointed by the Legislature to represent the citizens in rate cases before the Commission. Public Counsel also has a staff of attorneys, accountants, rate and financial analysts. The Public Counsel may monitor the case or may participate.
- 4. The **Utility's** officers and staff personnel may testify about the Utility, its operation, revenue and expenses. The Utility may also employ outside consultants as expert witnesses and an attorney or other specialists to assist them with the rate case. The accountants, rate analysts and engineers compile information in support of the rate increase request and testify at hearings.
- 5. **Intervenors** representing organizations, local governments, consumer groups, and commercial organizations may participate. An intervenor is a party who legally intervenes in the rate case through petition to the Commission to represent a specific interest or point of view in the rate case. The intervenor has equal opportunity with other parties in the case to ask questions, present testimony, and cross examine witnesses.

#### Rate Case Requirements

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A test year is requested by the utility, and when approved, is used as a measuring point to determine if a rate increase should be approved. The utility files an application pursuant to Commission rules (minimum filing requirements or "MFRs"). This application reflects the amount of money the utility has invested in its facilities to serve its customers. It also includes the utility's requested rate of return on its investment and the expenses the utility incurs to provide service for the test year. The data provides information about the operations of the company, supplies and expenses, taxes, construction, depreciation and all of the operating and financial matters that are crucial to a decision. The Utility will also be requested to file additional information before the case is over.

that could be considered unnecessary, improper, or imprudent. Expenditures of this kind are disallowed for ratemaking purposes.

The Commission and its staff review the application, and the Commission determines whether interim rates are appropriate to be collected during the pendency of the rate case. If interim rates are authorized and charged, those rates are subject to refund with interest pending the Commission's final decision in the case.

The Commission Staff performs an audit of the utility's books and records to see if they match the utility's MFRs, and that the utility is in compliance with Commission rules and policies. The Commission Staff auditors issue a report of their findings which is filed with the Commission. The Commission Staff also performs other examinations and document requests of the utility's personnel and the utility's quality of service. This includes an engineering physical inspection of the utility's facilities and a review of records filed with other regulatory agencies regarding the utility.

### PAA Procedures

A utility may ask that its application be processed using the Commission's Proposed Agency Action ("PAA") procedure, as the Utility has done in this case. Under this procedure, the Commission Staff holds a customer meeting in the utility's service territory to obtain information from the customers on the utility's service and other issues regarding the requested rate increase.

After the Commission auditors have completed their audit and the Commission Staff has reviewed the information filed by the utility and comments received from customers at the customer meeting, the Commission Staff makes a recommendation to the Commission as to the amount of rate increase that the utility should be granted. This recommendation is presented to the Commission at a public agenda conference in Tallahassee at which the Commissioners consider the Commission Staff recommendations and vote on each issue identified by the Commission Staff.

The Commission attorneys then prepare a formal order containing the Commission's proposed action, including the new rates and when they will be effective. Substantially affected persons have 21 days after this written order is issued to decide whether to accept the Commission's decision or to request a formal hearing.

If no party protests the order, and the hearing process is not triggered, the Commission's decision becomes final, a consummating order is issued, the new rates go into effect, and the docket is closed.

### Hearings

If any substantially affected party objects to the Commission's proposed rate increase and requests a formal hearing, then the Commission schedules public hearings on the rate case.

These hearings are governed by rules similar to those used by courts. Witnesses are sworn and subject to cross-examination, and the final decision must be based upon information presented to the Commission during the hearings. At this time, customer testimony is given regarding quality of service. The customers also may testify about rates and charges they consider improper or unfairly discriminatory.

The Public Counsel provides legal representation for consumers in matters before the Commission. The Public Counsel participates in major rate cases, has access to all the information filed by the utility, assists members of the public who wish to testify, and may even provide expert witnesses on various issues in the case.

Witnesses from the utility, the Commission Staff, the Public Counsel and interveners present testimony and are cross-examined. There are official transcripts of all hearings. Court Reporters record the hearings, just as they do in a courtroom.

#### Completing the Rate Case

After the hearings are completed, briefs are usually filed by all parties to the case. The briefs summarize each party's position on the issues. The Commission staff then makes recommendations to the Commissioners on each issue of the case. When the Commission makes its final decision there will be a "vote sheet" which is a listing of all the issues requiring a vote by the Commissioners. There are many issues in a major water and wastewater rate case, and it sometimes takes the Commissioners several hours to complete the final review of the case and to vote on each issue based on the evidence in the record.

Commission attorneys prepare a formal order containing the background of the case, the Commission decisions, the basis for the decisions, the new rates, and when they will be effective. After the Commission's order is issued, any party may ask the Commission to reconsider any decision on the issues. After reconsideration, the Public Counsel, the utility or any other party may appeal the Commission's decision to the courts.

# VI. Tentative Time Schedule

The following tentative schedule was established by the Commission for the remaining major events in the Utility's rate case:

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Schedule Item	Due Dates	
Agenda Conference on Suspending Rates	June 25, 2013	
Order on Suspending Rates	July 15, 2013	
Customer Meeting	, 2013	
Staff's Proposed Agency Action ("PAA")		
Recommendation	November 1, 2013	
Agenda Conference on PAA Rates	November 14, 2013	

#### VII. Location of MFRs for Review

All of the information on file at the Commission is open to the public and is available for review at the Commission offices in Tallahassee. The MFRs filed by the Utility are also available for inspection at the Utility's office located at 410 Washington Blvd., NW, Lake Placid, FL 33852.

Customer comments concerning the Utility's service and its request for an increase in rates should be addressed to the Director, Office of Commission Clerk, at the Florida Public Service Commission:

Florida Public Service Commission Director, Office of Commission Clerk 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0870

A courtesy copy of written comments and complaints may be mailed to the following:

Martin S. Friedman, Esquire Sundstrom, Friedman & Fumero, LLP 766 North Sun Drive, Suite 4030 Lake Mary, Florida 32746

Complaints may also be made by phone to the Commission's Division of Regulatory Compliance and Consumer Assistance at 1-800-342-3552, submitted through the Public Service Commission's toll-free facsimile line at 1-800-511-0809, or the Commission's website available at:

#### http://www.floridapsc.com/consumers/complaints/index.aspx

All comments should include reference to Commission Docket No. 130025-WUS, and the name of the Utility, Placid Lakes Utilities, Inc.

I, Peggy Ann Brewer, attest that this is not an addition of territory. This is a part of the original platted subdivision accepted by the Florida Public Service Commission as the territory to be served under the original certificate. The area has always been served under this Certificate. This amendment is only to correct an error of omission of the area in Section 13 of the County Township 37 South and Range 29 East that was inadvertently omitted when the original territory description was done or when one of the other changes were done. Attached is an original plat map showing that the area in Section 13 was always a part of the platted subdivision. PLACID LAKES UTILITIES, INC. WATER TARIFF

FIRST REVISED SHEET NO. 3.1 CANCELS ORIGINAL SHEET NO. 3.1

#### TERRITORY SERVED

#### COMPOSITE WATER TERRITORY DESCRIPTION

The composite water description includes Orders Nos. 12594, 17372, 22164, PSC-97-1148-FOF-WU and this area. Order No. 12594 granted Placid Lakes their original territory. Order No. 17372 removed a portion of this territory. Order No. 22164 added additional territory. It should be noted that Order No. 22164 grants area in Section 22, Township 37 South, Range 29 East and in Section 19 of Placid Lakes, a planned community. All of this area is in Sections 22 and 23, Township 37 South, Range 29 East. Order No. PSC-97-1148-FOF-WU granted the area known as Catfish Creek.

#### TOWNSHIP 37 SOUTH, RANGE 29 EAST

#### SECTION 9

The East 1/2 of Section 9

#### SECTION 10

All of said Section 10 lying South and West of Lake June in Winter (also, known as Lake Stearns)

#### SECTION 11

All of said Section 11 lying South and West of Catfish Creek

SECTION 14

All of said Section 14 lying South and West of Catfish Creek

SECTION 15

The East 1/2 of Section 15

#### SECTIONS 22, and 23

All of said Sections 22 and 23

(Continued to Sheet No. 3.2)

\* Section 13 That portion of sub-division lying in Section 13.





