

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Application for Staff-Assisted
Rate Case in Highlands County
LAKE PLACID UTILITIES, INC.,
_____ /

DOCKET NO. 130243-WS

NOTICE OF FILING

Applicant, LAKE PLACID UTILITIES, INC., by and through its undersigned attorneys,
hereby gives notice of filing in the above-referenced docket the Affidavit of Mailing evidencing
that the Customer Meeting Notice has been mailed to the customers of Lake Placid Utilities, Inc.

Respectfully submitted this 27th day of
March, 2014, by:

FRIEDMAN, FRIEDMAN & LONG, P.A.
766 North Sun Drive, Suite 4030
Lake Mary, FL 32746
Phone: (407) 830-6331
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MARTIN S. FRIEDMAN
Florida Bar No.: 0199060
For the Firm

AFFIDAVIT OF MAILING

STATE OF ILLINOIS

COUNTY OF COOK

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Adrienne R. Krugler, who, after being duly sworn on oath, did depose on oath and say that she is the Billing Manager of Utilities, Inc., the sole shareholder of Utilities, Inc. of Lake Placid in Highlands County, and that on March 21, 2014, she did send by regular U.S. Mail, a copy of the Customer Notice of the Customer Meeting, attached hereto, to all customers of the utility.

FURTHER AFFIANT SAYETH NAUGHT.

Adrienne R. Krugler

Print Name: Adrienne R. Krugler
Print Title: Billing Manager

Sworn to and subscribed before me this 21st day of March, 2014, by-
Adrienne R. Krugler, who is personally known to me.

Nancy Paule
Print Name: Nancy Paule
NOTARY PUBLIC

My Commission Expires: 03/02/2015



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE OF CUSTOMER MEETING
TO THE CUSTOMERS OF LAKE PLACID UTILITIES, INC.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 130243-WS

APPLICATION OF LAKE PLACID UTILITIES, INC.

FOR A STAFF-ASSISTED RATE CASE IN

HIGHLANDS COUNTY

Issued: March 21, 2014

Notice is hereby given that the staff of the Florida Public Service Commission (Commission or PSC) will conduct a customer meeting to discuss the application of Lake Placid Utilities, Inc. (Lake Placid or Utility) for a staff-assisted rate case (SARC) in Highlands County. The meeting will be held at the following time and place:

6:00 p.m., Thursday, April 3, 2014
Deeann Lakefront Estates Clubhouse
409 Stephen Drive
Lake Placid, Florida 33852

All persons who wish to comment are urged to be present at the beginning of the meeting, since the meeting may be adjourned early if no customers are present. One or more of the Commissioners of the Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all the customers have been heard.

If a named storm or other disaster requires cancellation of the meeting, Commission staff will attempt to give timely direct notice to the parties. Notice of the cancellation of the meeting will also be provided on the Commission's website (<http://www.psc.state.fl.us/>) under the Hot Topics link found on the home page. Cancellation can also be confirmed by calling the Commission's Office of the General Counsel at (850) 413-6199.

Any person requiring some accommodation at the customer meeting because of a physical impairment should call the Office of Commission Clerk at (850) 413-6770 at least five calendar days prior to the meeting. Any person who is hearing or speech impaired should contact the Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

PURPOSE

The purpose of this meeting is to give customers and other interested persons an opportunity to offer comments to Commission staff regarding the quality of service the Utility provides, the proposed

rate increase, and to ask questions and comment on staff's preliminary rates included in this notice as well as other issues. Staff members will summarize Lake Placid's proposed filing, the preliminary work accomplished, and answer questions to the extent possible. A representative from the Utility has also been invited to respond to questions.

At the beginning of the meeting, procedures will be established for the order of comments. Commission staff will have sign-up sheets, and customers will be called to speak in the order that they sign up. Staff will be available to coordinate customers' comments and to assist members of the public.

Any person who wishes to comment or provide information to staff may do so at the meetings, orally or in writing. Written comments may also be sent to the Commission at the address given at the end of this notice. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Commission's toll-free facsimile line at 1-800-511-0809.

BACKGROUND

Lake Placid is a Class C water and wastewater utility that provides water and wastewater service to approximately 136 water and 210 wastewater customers in Highlands County. According to the Utility's 2012 annual report, Lake Placid had the following total gross operating revenues, operating expenses, and net operating income:

Revenues, Expenses and Net Operating Income

	Water	Wastewater
Operating Revenues	\$57,538	\$70,751
Operating Expenses	\$55,696	\$65,412
Net Operating Income	\$1,842	\$5,339

Lake Placid Utilities began providing service in 1969. The water and wastewater systems were subsequently granted grandfather Certificate Nos. 414-W and 347-S in 1983, when Highlands County transferred jurisdiction of its water and wastewater utilities to the PSC.¹ Utilities, Inc. purchased the systems in 1993 through a bankruptcy proceeding, and the certificates were transferred to Lake Placid Utilities, Inc.² The Utility's certificates were subsequently amended to include additional territory to serve up to 52 potential connections in the Village Del Mar development in 2010.³ Lake Placid's rate base was last established in its 2009 SARC by Order No. PSC-11-0015-PAA-WS, issued January 5, 2011.⁴ Lake Placid is a wholly owned subsidiary of Utilities, Inc., an Illinois corporation that owns approximately 75 utilities throughout 15 states, including 12 water and wastewater utilities in Florida.

¹ See Order No. 12447, issued September 6, 1983, in Docket No. 830141-WS, In re: Application of Lake Placid Utilities for certificates to operate water and sewer systems in Highlands County, pursuant to Section 367.171, Florida Statutes.

² See Order No. PSC-93-1448-FOF-WS, issued October 4, 1993, in Docket No. 930570-WS, In re: Application for Transfer of Certificates Nos. 414-W and 347-S from Lake Placid Utilities to Lake Placid Utilities, Inc.

³ See Order No. PSC-10-0489-FOF-WS, issued August 5, 2010, in Docket No. 100301-WS, In re: Application for amendment of Certificates 414-W and 347-S to extend water and wastewater service areas to include certain land in Highlands County by Lake Placid Utilities, Inc.

⁴ Issued in Docket No. 090531-WS, In re: Application for staff-assisted rate case in Highlands County by Lake Placid Utilities, Inc.

CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following rates and charges for the purpose of discussion at the customer meeting. These rates are preliminary and subject to change based on information gathered at the customer meeting, further staff review, and the final decision by the Commission. The Utility's current, and staffs preliminary rates and charges, are as follows:

LAKE PLACID UTILITIES, INC. - DOCKET NO. 130243-WS		
WATER SERVICE		
	UTILITY'S EXISTING RATES	STAFF'S PRELIMINARY RATES
<u>MONTHLY WATER RATES</u>		
<u>Residential and General Service</u>		
Base Facility Charge by Meter Size:		
5/8" x 3/4"	\$13.85	\$17.81
3/4"	\$20.78	\$26.72
1"	\$34.63	\$44.53
1-1/2"	\$69.26	\$89.05
2"	\$110.81	\$142.48
3"	\$221.63	\$284.96
4"	\$346.30	\$445.25
6"	\$692.60	\$890.50
Charge per 1,000 Gallons	\$5.80	\$7.54
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>		
2,000 Gallons	\$25.45	\$32.89
6,000 Gallons	\$48.65	\$63.05
8,000 Gallons	\$60.25	\$78.13
<u>Initial Customer Deposits (for new connections)</u>		
Residential Service:		
Meter Size:		
5/8" x 3/4"	\$12.00*	\$63.00
All Over 5/8" x 3/4"	\$12.00*	2 x Average Bill
General Service		
All Meter Sizes	\$12.00*	2 x Average Bill
<u>NEW Miscellaneous Service Charges</u>		
Late Payment Charge**	N/A	\$6.50
* Existing customer deposit is \$12.00 or 3 times the average monthly bill, whichever is greater.		
** If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Utility requires multiple actions.		

**LAKE PLACID UTILITIES, INC.- DOCKET NO. 130243-WS
WASTEWATER SERVICE**

	UTILITY'S EXISTING RATES	STAFF'S PRELIMINARY RATES
<u>MONTHLY WASTEWATER RATES</u>		
Residential		
Base Facility Charge - All Meter Sizes	\$13.94	\$14.18
Charge per 1,000 Gallons (6,000 gallon cap)	\$5.75	\$6.44
Flat Rate	\$27.72	\$25.73
General Service		
Base Facility Charge by Meter Size:		
5/8" x 3/4"	\$13.94	\$14.18
3/4"	\$20.90	\$21.27
1"	\$34.82	\$35.45
1-112"	\$69.65	\$70.90
2"	\$111.44	\$113.44
3"	\$222.87	\$226.88
4"	\$348.24	\$354.50
6"	\$696.46	\$709.00
Charge per 1,000 Gallons	\$6.90	\$7.73
Bulk Service		
Deeann Estates	\$474.62	\$476.45
Charge per 1,000 gallons	\$5.52	\$6.19
Typical Residential 5/8" x 3/4" Meter Bill Comparison		
2,000 Gallons	\$25.44	\$27.06
6,000 Gallons	\$48.44	\$52.82
8,000 Gallons	\$48.44	\$52.82
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**LAKE PLACID UTILITIES, INC. - DOCKET NO. 130243-WS
WASTEWATER SERVICE (CONTINUED)**

	UTILITY'S EXISTING RATES	STAFF'S PRELIMINARY RATES
Initial Customer Deposits (for new connections)		
Residential Service:		
Meter Size:		
5/8" x 3/4"	\$12.00*	\$50.00
All Over 5/8" x 3/4"	\$12.00*	2 x Average Bill
General Service		
All Meter Sizes	\$12.00*	2 x Average Bill
<u>NEW Miscellaneous Service Charges</u>		
Late Payment Charge**	N/A	\$6.50
* Existing customer deposit is \$12.00 or 3 times the average monthly bill, whichever is greater.		
** If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Utility requires multiple actions.		

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated March 6, 2014. Copies of the report may be examined by interested members of the public from 10:30 a.m. to 6:30 p.m., on Tuesday and from 9:30 a.m. to 5:30 p.m., Wednesday through Saturday, at the following location:

Lake Placid Memorial Library
205 West Interlake Boulevard
Lake Placid, FL 33852

PROCEDURES AFTER CUSTOMER MEETING

After the customer meeting, Commission staff will prepare a recommendation which is scheduled to be submitted to the Commission on May 22, 2014. The Commission will then vote on staff's recommendation at its June 5, 2014 Commission Conference. The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staffs final recommendation. Substantially affected persons have 21 days from the date that the PAA order is issued to protest the Commission's PAA order. Five to ten customers or persons who attend the meeting, and who wish to receive a copy of the recommendation and the order should so indicate at the meeting. Those individuals are expected to distribute the information in the recommendation and the order to other customers. Anyone who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so in writing to the Commission at the address at the end of this notice.

HOW TO CONTACT THE COMMISSION

Written comments regarding the Utility and the proposed rates, and requests to be placed on the mailing list for this case, may be directed to this address:

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

All correspondence should refer to "Docket No. 130243-WS, Lake Placid Utilities, Inc." If you wish to contact the Commission regarding complaints about service, you may call the Commission's Office of Consumer Assistance and Outreach at the following toll-free number: 1-800-342-3552. This notice was prepared by Commission staff for distribution by the Utility to its customers.