

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for an increase in  
water and wastewater rates in Pasco  
County by Labrador Utilities, Inc.

Docket No. 140135-WS

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**NOTICE OF FILING**

Applicant, LABRADOR UTILITIES, INC. by and through its undersigned attorneys,  
hereby gives notice of filing, in the above-referenced docket, of the Affidavit of Mailing  
evidencing that the combined Initial Customer Notice and Customer Meeting Notice was sent by  
regular mail on January 19, 2015 to all customers of the Utility.

Respectfully submitted this 20th day of  
January, 2015, by:

Friedman, Friedman & Long, P.A.  
766 North Sun Drive, Suite 4030  
Lake Mary, FL 32746  
Phone: (407) 830-6331  
Fax: (407) 878-2178  
[mfriedman@ffllegal.com](mailto:mfriedman@ffllegal.com)  
[drudolf@ffllegal.com](mailto:drudolf@ffllegal.com)



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MARTIN S. FRIEDMAN  
Florida Bar No.: 0199060  
For the Firm

AFFIDAVIT OF MAILING

STATE OF FL

COUNTY OF Seminole

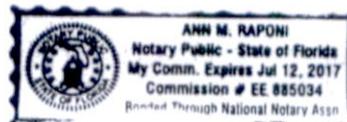
Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Lori L. Jones who, after being duly sworn on oath, did depose on oath and say that she is the Billing Specialist of Utilities, Inc., the sole shareholder of Labrador Utilities, Inc. ("Utility"), and that on January 19, 2015, she did send by regular U.S. Mail, a copy of the Initial Customer and Customer Meeting Notice, attached hereto, to all customers of the Utility.

FURTHER AFFIANT SAYETH NAUGHT.

Lori L. Jones  
Print Name: Lori L. Jones  
Print Title: Billing Specialist

Lori L. Jones Sworn to and subscribed before me this 20<sup>th</sup> day of January, 2015, by Lori L. Jones who is personally known to me or has produced \_\_\_\_\_ as identification.

Ann M. Raponi  
Print Name:  
NOTARY PUBLIC  
My Commission Expires:



BEFORE THE PUBLIC SERVICE COMMISSION

INITIAL CUSTOMER NOTICE  
AND  
NOTICE OF CUSTOMER MEETING

TO THE CUSTOMERS OF  
LABRADOR UTILITIES, INC.  
AND  
ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 140135-WS

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES IN  
PASCO COUNTY BY LABRADOR UTILITIES, INC.

DATED: January 19, 2015

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss Labrador Utilities, Inc.'s application for a rate increase. The meeting will be held at the following time and place:

Wednesday, February 11, 2015, 6:00 p.m.  
Forest Lake Estates Community Clubhouse  
6429 Forest Lake Drive  
Zephyrhills, FL 33540

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 Florida Public Service Commission may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all of the customers have been heard.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting because of a physical impairment should call the Office of Commission Clerk at (850) 413-6770 at least 48 hours prior to the meeting. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD) or 1-800-955-8770 (Voice).

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 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 at the bottom of the home page. Cancellation can also be confirmed by calling the Office of the General Counsel at 850-413-6199.

## **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, and to ask questions and comment on the rates proposed in this docket as well as other issues. Commission staff will be available to address and coordinate customers' comments and to assist members of the public. A representative from the Utility may also be in attendance. 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 in the order that they sign up to speak.

## **HOW TO CONTACT THE COMMISSION**

Any person who wishes to comment or provide information to Commission staff may do so at the meeting, either orally or in writing. Other written comments regarding the Utility and the proposed rates, or requests to be placed on the mailing list for this case, may be directed to this address:

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  
Friedman, Friedman & Long, P.A.  
766 North Sun Drive, Suite 4030  
Lake Mary, Florida 32746

All correspondence should refer to "Docket No. 140135-WS, Labrador Utilities, Inc." Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Florida Public Service Commission's email at [clerk@psc.state.fl.us](mailto:clerk@psc.state.fl.us), or the Commission's website available at <http://floridapsc.com/about/contact/form.aspx>.

If you wish to contact the Florida Public Service 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.

## BACKGROUND

Labrador Utilities, Inc. (Utility) is a water and wastewater utility whose corporate offices are located at 200 Weathersfield Avenue, Altamonte Springs, Florida 32714. The Utility's water and wastewater facilities are located in Pasco County, Florida.

On September 16, 2014, the Utility filed an application with the Florida Public Service Commission (Commission) for an increase in its water and wastewater rates to its customers in Pasco County based on an historical test year ending December 31, 2013. Final rates and interim rates are based upon the same test year. The application is assigned Docket No. 140135-WS and December 2, 2014, was established as the official date of filing.

The Utility is requesting a rate increase because it believes the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and an opportunity to earn 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 10.43%. The overall return requested (the weighted cost of debt and equity) is 8.50%. According to the Utility's books, Labrador Utilities, Inc. states that its adjusted current overall rate of return without a rate increase is 0.01% for the water system and a negative 0.57% for the wastewater system. The Company's last rate proceeding was in Docket No. 110264-WS, utilizing a test year ending December 31, 2010, which culminated in Order No. PSC-12-0206-PAA-WS, dated April 19, 2012.

The Utility has incurred substantial additional operating costs and capital investment. Copies of the MFRs, the Rate Case Synopsis, and the Utility's application will be available for inspection at the following locations:

Zephyrhills Public Library 5347 8 <sup>th</sup> Street Zephyrhills, Florida 33542	Hours: Tuesday – Friday: 9:00am to 7:00pm Saturday: 9:00am to noon Sunday & Monday: Closed
Labrador Utilities, Inc. 200 Weathersfield Avenue Altamonte Springs, FL 32714	Office Hours: Monday through Friday 8:00 a.m. to 4:30 p.m.

The test period for setting rates is the historical average thirteen-month period ended December 31, 2013.

**WATER SERVICE**

	<u>Rates At the Time of Filing</u>	<u>Utility's Requested Interim Rates</u>	<u>Commission Approved Interim Rates</u>	<u>Utility's Requested Final Rates</u>
<b><u>Residential Service</u></b>				
Base Facility Charge – 5/8" Meter Size	\$10.38	\$12.18	\$11.95	\$14.24
Charge Per 1,000 Gallons	\$8.30	\$9.71	\$9.53	\$11.39
<b><u>General Service</u></b>				
Base Facility Charge by Meter Size				
5/8" x 3/4"	\$10.38	\$12.18	\$11.95	\$14.24
3/4"	\$15.58	\$18.27	\$17.94	\$21.36
1"	\$25.96	\$30.45	\$29.36	\$35.60
1 1/2"	\$51.90	\$60.90	\$58.69	\$71.20
2"	\$83.03	\$97.44	\$95.63	\$113.92
3"	\$166.07	\$182.70	\$191.26	\$213.60
4"	\$259.48	\$304.50	\$298.84	\$356.00
6"	\$518.96	\$609.00	\$597.68	\$712.00
Charge per 1,000 Gallons	\$8.30	\$9.71	\$9.53	\$11.39

	<u>Rates At the Time of Filing</u>	<u>Utility's Requested Interim Rates</u>	<u>Commission Approved Interim Rates</u>	<u>Utility's Requested Final Rates</u>
<b><u>Irrigation Service</u></b>				
Base Facility Charge- 2" Meter Size	\$83.03	\$97.44	\$95.63	\$113.92
Charge Per 1,000 Gallons	\$8.30	\$9.71	\$9.53	\$11.39

**WASTEWATER SERVICE**

	<u>Rates At the Time of Filing</u>	<u>Utility's Requested Interim Rates</u>	<u>Commission Approved Interim Rates</u>	<u>Utility's Requested Final Rates</u>
<b><u>Residential Service</u></b>				
Base Facility Charge all Meter Sizes	\$22.43	\$28.74	\$27.25	\$38.33
Charge per 1,000 Gallons 10,000 Gallon Cap	\$10.00	\$12.82	\$12.15	\$17.09

**General Service**

Base Facility Charge by Meter Size

5/8" x 3/4"	\$22.43	\$28.74	\$27.25	\$38.33
3/4"	\$33.65	\$43.11	\$40.88	\$57.50
1"	\$56.07	\$71.85	\$68.13	\$95.83
1 1/2"	\$112.13	\$143.70	\$136.25	\$191.65
2"	\$179.40	\$229.92	\$218.00	\$306.64
3"	\$358.82	\$431.10	\$436.00	\$574.95
4"	\$560.65	\$718.50	\$681.26	\$958.25
6"	\$1,121.29	\$1,437.00	\$1,362.51	\$1,916.50
8"	\$1,828.43	\$2,299.20	\$2,180.02	\$3,066.40
Charge per 1,000 gallons	\$12.00	\$15.38	\$14.58	\$20.51

**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.

**PROCEDURES AFTER CUSTOMER MEETINGS**

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

<b><u>Schedule Item</u></b>	<b><u>Due Date</u></b>
Staff Audit Report	12/19/14
Utility's Response to Audit	01/05/15
Customer Meeting	02/11/15
Staff's Recommendation on PAA	04/23/15
Agenda Conference on PAA Rates	05/05/15
PAA Order	05/26/15
Protest Period Expires	06/16/15
Consummating Order Entered	06/22/15

This notice was prepared by the Utility and approved by Commission staff for distribution by the Utility to its customers. If you have any questions, please call the Utility's office at (800) 272-1919.

Labrador Utilities, Inc.