

# RAINTREE WATERWORKS, INC.

September 8, 2015

DATE DEPOSIT

SEP 15 2015 5 8 1

CK# 1034  
\$ 500.00  
9-11-15  
RR

Office of Commission Clerk  
Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399

Re: Application of Raintree Waterworks, Inc. for Staff Assisted Rate Case in Lake County

Dear Commission Clerk,

Please find attached Raintree Waterworks, Inc. (RWW) application for a staff assisted rate case (SARC) in Lake County.

RWW purchased the water and wastewater systems from Raintree Harbor Utilities, LLC on May 23, 2014. The transfer was approved by the Public Service Commission in Order No. PSC-14-0692-PAA-WU, issued December 15, 2014. The last SARC for this water system was in 2008, which culminated in Order No. PSC-08-0483-PAA-WU, issued July 25, 2008, in Docket No. 070627-WU. Since Raintree Waterworks, Inc. purchased these systems on May 23, 2014, the utility is requesting a test year ending July 31, 2015 to reflect a full 12 months of operation under the new ownership.

In Order No. PSC-08-0483-PAA-WU, the Commission found that the service area was built out and both the water treatment facilities and distribution system were found to be 100% used and useful.

For the test year ending July 31, 2015, the adjusted average water rate base for RWW is \$51,157. The adjusted operating expenses for the requested test year were \$45,783 for water. Finally, based on the adjusted amounts in RWW's supporting workpapers, the net operating loss for this test year were (\$3,785).

RWW is requesting an overall rate of return (ROR) of 8.74% with a return on equity of 8.74% based on the most recent leverage formula in Order No. PSC-15-0259-PAA-WS, issued July 2, 2015.

In support of its requested rate increase, RWW provides the following information attached to this letter:

1. Commission Application for Staff Assisted Rate Case Form PSC/AFD 2-W;
2. RWW's supporting schedules for requested test year ending August 31, 2014 including:
  - a. Schedule 1-A – Water Rate Base
  - b. Schedule 1-C – Adjustments to Rate Base
  - c. Schedule 2 – Capital Structure
  - d. Schedule 3 – A – Statement of Water Operations
  - e. Schedule 3-C – Adjustments to Operating Income
  - f. O&M Expenses – Water
  - g. Schedule RCE – Analysis of Rate Case Expense

RECEIVED FPSC  
15 SEP 15 AM 8:21  
COMMISSION  
CLERK

5320 Captains Court, New Port Richey, Florida 34652  
Mailing: C/O 4939 Cross Bayou Boulevard, New Port Richey, Florida 34652  
Tel: 727-848-8292

Raintree Waterworks, Inc.  
Staff Assisted Rate Case Request  
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- h. Plant, Accumulated Depreciation, Depreciation Expenses – Adjustments for Use and Useful – Water
- i. Schedule A-5 – Average Plant in Service – by Primary Account
- j. Schedule A-9 – Average Accumulated Depreciation by Primary Account
- k. Schedule A-14 – Average CIAC and Accumulated Amortization
- l. Taxes Other Than Income Schedule
- m. Allocation of Revenue Requirement – Rate Design – Water
- n. Schedule E-1w – Water Rates at Present and Proposed Rates (with elasticity adj.)
- o. Schedule 4 – A – Utility Requested Water Rate Schedule
- p. Schedule F-1 – Gallons of Water Purchased, Sold and Unaccounted For

The total filing fee in the amount of \$500 is also attached to this SARC application pursuant to Rule 25-30.30.020(2)(f), Florida Administrative Code.

Respectfully Submitted,



Troy Rendell  
Manager of Regulated Utilities  
*// for Raintree Waterworks, Inc.*