

COMMISSIONERS:  
ART GRAHAM, CHAIRMAN  
JULIE I. BROWN  
DONALD J. POLMANN  
GARY F. CLARK  
ANDREW GILES FAY

STATE OF FLORIDA



DIVISION OF  
ACCOUNTING AND FINANCE  
ANDREW L. MAUREY  
DIRECTOR  
(850) 413-6900

# Public Service Commission

February 8, 2019

Mr. Gary A. Deremer, President  
LP Waterworks, Inc.  
4939 Cross Bayou Blvd.  
New Port Richey, Florida 34652  
gderemer@uswatercorp.net

VIA EMAIL

**Re: Docket No. 20180215-WS - Petition for limited alternative rate increase in Highlands County by LP Waterworks, Inc.**

Dear Mr. Deremer:

This letter will confirm that Commission staff will hold a customer meeting on Tuesday, February 26, 2019. If at all possible, we ask that you or another knowledgeable representative of the Utility attend the meeting in order to answer customer questions. The location of the general meeting will be as follows:

Tuesday, February 26, 2019  
3:00 p.m.  
Lake View Clubhouse  
231 Shoreline Drive  
Lake Placid, FL 33852

RECEIVED-FPSC  
FEB 11 AM 8:30  
COMMISSION  
CLERK

As required by Rule 25-30.458(2), Florida Administrative Code (F.A.C.), the Utility shall provide, in writing, a customer meeting notice to all customers within its service area, and any other required persons, no less than 14 days and no more than 30 days prior to the date of a customer meeting. A draft customer meeting notice is enclosed. Please note the date has been left blank so you can fill in the date that the notice is sent to the customers. Please furnish me with a copy of the notice that is distributed to your customers, together with a cover letter indicating the exact date(s) the notice was mailed or otherwise delivered to the customers.

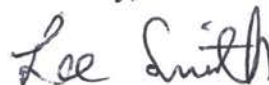
In addition, please ensure that a copy of the Utility's completed application for a limited alternative rate increase and the customer meeting notice are available for review, pursuant to Rule 25-30.458(3)(d), F.A.C., by all interested persons at the following location:

Lake View Clubhouse  
231 Shoreline Drive  
Lake Placid, FL 33852

Page 2

For your convenience, I also have enclosed a copy of Rule 25-30.458, F.A.C. Should you have any questions about the matters contained herein, please do not hesitate to contact me at (850) 413-7003, or Rachael Dziechciarz at (850) 413-6212.

Sincerely,

A handwritten signature in black ink that reads "Lee Smith". The signature is written in a cursive style with a large initial "L" and a distinct "S".

Lee Smith  
Public Utility Analyst II

Enclosures

LS/tb

cc: Office of Commission Clerk (Docket No. 20180215-WS)

Mr. Troy Rendell, Vice President, Investor Owned Utilities (trendell@uswatercorp.net)

**25-30.458 Notice of and Public Information for Application for Limited Alternative Rate Increase.**

(1) This rule applies to all requests for a limited alternative rate increase.

(2) No less than 14 days and no more than 30 days prior to the date of a customer meeting, the utility shall provide, in writing, a customer meeting notice to all customers within its service area and to all persons in the same service area who have filed a written request for service or who have been provided a written estimate for service within the 12 calendar months prior to the month the petition is filed. The customer meeting will be conducted by the Commission staff no less than 21 days prior to Commission action on the application.

(3) The customer meeting notice shall be approved by Commission staff prior to distribution and shall include the following:

(a) The date the notice was issued;

(b) The time, date, location, and purpose of the customer meeting;

(c) A statement that the utility has applied for a limited alternative rate increase and the general reason for doing so;

(d) A statement of the location where copies of the application are available for public inspection during the utility's regular business hours;

(e) A comparison of current rates and charges and the proposed new rates and charges;

(f) The utility's address, telephone number, and regular business hours;

(g) A statement that written comments regarding utility service or the proposed rates and charges should be addressed to the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0870, and that such comments should identify the docket number assigned to the proceeding;

(h) A statement that complaints regarding service may be made to the Commission's Office of Consumer Assistance and Outreach at the following toll-free number: 1(800) 342-3552; and

(i) The docket number assigned by the Commission's Office of Commission Clerk.

(4) The customer meeting notice shall be mailed to the out-of-town address of all customers who have provided the utility with an out-of-town address.

(5) If the Commission issues a proposed agency action (PAA) order granting a limited alternative rate increase, the utility shall notify its customers of the order and any revised rates. The customer notification shall be approved by Commission staff and be distributed no later than with the first bill containing any revised rates.

*Rulemaking Authority 350.127(2), 367.0814(9), 367.121(1) FS. Law Implemented 350.123, 367.0814, 367.121 FS. History--New 3-15-05.*

BEFORE THE PUBLIC SERVICE COMMISSION  
**NOTICE OF CUSTOMER MEETING**  
TO THE CUSTOMERS OF  
LP WATERWORKS, INC.  
AND ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 20180215-WS  
PETITION OF LP WATERWORKS, INC. FOR LIMITED ALTERNATIVE  
RATE INCREASE PURSUANT TO RULE 25-30.458, FLORIDA ADMINISTRATIVE CODE  
IN HIGHLANDS COUNTY, FLORIDA

DATED: \_\_\_\_\_

NOTICE is hereby given that the Staff of the Florida Public Service Commission (Commission) will conduct a customer meeting to discuss the petition of LP Waterworks, Inc. (LP or utility) for a limited alternative rate increase. The meeting will be held at the following time and place:

3:00 p.m., February 26, 2019  
Lake View Clubhouse  
231 Shoreline Dr.  
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 may attend and participate in this meeting. The meeting will begin as scheduled and will continue until all of the customers have been heard.

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 5 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).

**EMERGENCY CANCELLATION OF CUSTOMER MEETING**

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

**PURPOSE**

The purpose of the meeting is to give customers and other interested persons an opportunity to offer comments to the Commission staff regarding the quality of service the utility provides, ask questions, and comment on the rates included in this notice 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. The 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 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:

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

Or by e-mail to [Clerk@psc.state.fl.us](mailto:Clerk@psc.state.fl.us)

All correspondence should refer to "Docket No. 20180215-WS, LP Waterworks, Inc." Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Public Service Commission's toll-free facsimile line at 1-800-511-0809 or the Commission's website available at: <http://floridapsc.com/consumers/complaint/index.cfm>.

If you wish to contact the Commission regarding complaints about service, you may call the Commission's Division of Consumer Assistance and Outreach at the following toll-free number 1-800-342-3552.

### **BACKGROUND**

LP is a Class C utility providing service to approximately 487 water customers and 402 wastewater customers in Highlands County. The utility has been in existence since 2002. Effective February 26, 2002, LP was granted Certificate Nos. 620-W and 533-S. The utility's rates for water and wastewater service were last approved in a staff-assisted rate case in 2017. The utility requested a price index increase which was approved on July 15, 2018. According to LP's 2017 annual report, total gross revenues for water were \$111,449 and \$91,656 for wastewater. The utility's total operating expenses for water were \$113,721 and \$92,159 for wastewater.

On November 26, 2018, LP filed its application for a limited alternative rate setting. In its application, pursuant to Rule 25-30.457, F.A.C., the utility is requesting to apply a 20 percent increase to its existing rates.

Copies of the utility's application for a limited alternative rate increase and all attachments are available for inspection by members of the public at the following location:

Lake View Clubhouse  
 231 Shoreline Drive  
 Lake Placid, Florida 33597

Hours: 8:00 a.m. to 3:00 p.m.  
 Monday through Friday

**CURRENT AND PROPOSED RATES**

The current and proposed rates are listed below. These rates are subject to change based on information gathered at the customer meeting, further Commission staff review, and the final decision by the Commissioners.

<b>LP WATERWORKS, INC. MONTHLY WATER RATES</b>	<b>CURRENT RATES</b>	<b>PROPOSED RATES</b>
<b><u>Residential and General Service</u></b>		
Base Facility Charge by Meter Size		
5/8" X 3/4"	\$9.85	\$11.82
3/4"	\$14.78	\$17.73
1"	\$24.63	\$29.55
1-1/2"	\$49.26	\$59.10
2"	\$78.82	\$94.56
3"	\$157.65	\$189.12
4"	\$246.32	\$295.50
6"	\$492.65	\$591.00
Charge per 1,000 gallons - Residential Service		
0-3,000 gallons	\$5.66	\$6.79
Over 3,000 gallons	\$8.32	\$9.99
Charge per 1,000 gallons – General Service		
	\$6.81	\$8.18
<b><u>Private Fire Protection Service</u></b>		
5/8" X 3/4"	\$0.82	\$0.99
3/4"	\$1.23	\$1.47
1"	\$2.05	\$2.46
1 1/2"	\$4.11	\$4.93
2"	\$6.57	\$7.88
3"	\$13.14	\$15.77
4"	\$20.53	\$24.64
6"	\$41.05	\$49.26

<b>LP WATERWORKS, INC. MONTHLY WASTEWATER RATES</b>	<b>CURRENT RATES</b>	<b>PROPOSED RATES</b>
<b><u>Residential Service</u></b>		
All Meter Sizes	\$14.93	\$17.92
Gallage Charge per 1,000 gallons (6,000 gallonage cap)	\$7.72	\$9.26
<b><u>General Service</u></b>		
Base Facility Charge by Meter Size		
5/8"X3/4"	\$14.93	\$17.92
3/4"	\$22.40	\$26.88
1"	\$37.33	\$44.80
1-1/2"	\$74.66	\$89.60
2"	\$119.46	\$143.36
3"	\$238.92	\$286.72
4"	\$373.31	\$448.00
6"	\$746.63	\$896.00
Charge per 1,000 gallons	\$9.27	\$11.12

### **PROCEDURES AFTER CUSTOMER MEETING**

After the customer meeting, Commission staff will prepare a recommendation which is scheduled to be submitted to the Commission on March 21, 2019. The Commission will then vote on staff's recommendation at its April 2, 2019, Commission Conference. The Commission will thereafter issue a proposed agency action (PAA) order containing rates which may be different from those contained in staff's final recommendation. Substantially affected persons have 21 days from the date that the PAA order is issued to protest the Commission's PAA order. Customers are able to obtain a copy of staff's recommendation and all documents filed in this docket under the Clerk's Office tab on the Commission's website (<http://www.floridapsc.com>).

This notice was prepared by the utility and approved by Commission Staff for distribution by the utility to its customers.