

STATE OF FLORIDA



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(850) 413-6199

Public Service Commission

April 29, 2019

Mr. Michael Smallridge
West Lakeland Wastewater, LLC.
3336 Grand Boulevard Suite 102
Holiday, Florida 34690
mike@fus1llc.com

VIA EMAIL & US MAIL

Re: Docket No. 20180202-SU, Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.

Dear Mr. Smallridge:

This will confirm that Commission staff will hold a customer meeting on Wednesday, May 22, 2019. We ask that, if at all possible, 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:

Wednesday, May 22, 2019, at 6:00 P.M.
Village of Lakeland Lakeside Club
3574 Lazy Lake Drive North
Lakeland, FL 33801

RECEIVED-FPSC
2019 APR 29 PM 4:19
COMMISSION
CLERK

As required by Rule 25-22.0407(9)(b), Florida Administrative Code (F.A.C.), the Utility shall provide, in writing, a customer meeting notice to all customers within its service area 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 that you can fill in the date that the notice is sent to the customers. Please furnish me with a copy of the notice, as reproduced at the time it is distributed to your customers, together with a cover letter indicating the exact date(s) on which the notice was mailed or otherwise delivered to the customers.

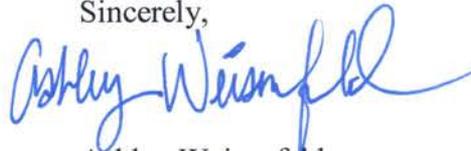
In addition, we have enclosed two copies of the staff report. Please ensure that a copy of the completed Application for Staff Assistance and the staff report are available for review, pursuant to Rule 25-22.0407(9)(a), F.A.C., by all interested persons at the following location:

Lakeland Public Library
100 Lake Morton Drive
Lakeland, FL 33801

Mr. Smallridge
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For your convenience, I have also enclosed a copy of Rule 25-22.0407(9), F.A.C. Should you have any questions about any of the matters contained herein, please do not hesitate to contact me at (850) 413-6220. In addition, you may contact Terence Bethea at (850) 413-6435 or Shannon Hudson at (850) 413-7021 with any questions.

Sincerely,



Ashley Weisenfeld
Attorney

Enclosures

AW/tb

cc: Office of Commission Clerk (Docket No. 20180202-SU)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE OF CUSTOMER MEETING
TO THE CUSTOMERS OF WEST LAKELAND WASTEWATER, LLC
AND
ALL OTHER INTERESTED PERSONS
DOCKET NO. 20180202-SU
APPLICATION OF WEST LAKELAND WASTEWATER, LLC
FOR A STAFF-ASSISTED RATE CASE IN
POLK COUNTY

Date Issued: _____

NOTICE is hereby given that the Staff of the Florida Public Service Commission (Commission) will conduct a customer meeting to discuss West Lakeland Wastewater, LLC's (West Lakeland or utility) application for a staff-assisted rate case (SARC) in Polk County. The meeting will be held at the following time and place:

Wednesday, May 22, 2019, at 6:00 P.M.
Village of Lakeland Lakeside Club
3574 Lazy Lake Drive North
Lakeland, FL 33801

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 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 recommended 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 West Lakeland's 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 or online at <https://secure.floridapsc.com/e-filings/efiling.aspx>.

BACKGROUND

West Lakeland is a Class C wastewater only utility providing service to approximately 315 residential customers and 1 general service customer in Polk County. Effective June 6, 2001, West Lakeland Wastewater, Inc. was granted approval for transfer of Certificate No. 515-S from ABCA, Inc.¹ In 2009, the utility was abandoned and appointed to Michael Smallridge as receiver of the wastewater system.² On December 9, 2014, the utility was approved for a limited proceeding rate increase (LIMP).³ Subsequently, those rates were amended through three price index rate adjustments and a four year rate reduction for the fully amortized prior rate case expense. On July 30, 2018, the Commission approved the transfer of West Lakeland Wastewater, Inc. to West Lakeland Wastewater, LLC.⁴ According to West Lakeland's 2018 annual report, total gross revenues were \$133,665 and total operating expenses were \$113,159, resulting in a net gain of \$20,506.

On October 30, 2018, West Lakeland filed an application for a staff-assisted rate case (SARC). Pursuant to Section 367.0814(2), Florida Statutes (F.S.), the official filing date of the SARC has been determined to be December 31, 2018. The 12-month period ended October 31, 2018 was

¹Order No. PSC-2001-1271-PAA-SU, issued June 6, 2001, in Docket No. 20010382-SU, *In re: Application for transfer of Certificate No. 515-S in Polk County from ABCA, Inc. to West Lakeland Utilities, Inc., by West Lakeland Wastewater Inc.*

²Order No. PSC-2009-0607-FOF-SU, as amended by PSC-09-0607A-FOF-SU, issued February 16, 2010, in Docket No. 20090154-SU, *In re: Notice of abandonment of wastewater system for The Village of Lakeland Mobile Home Park in Polk County, by West Lakeland Wastewater, Inc.*

³Order No. PSC-2014-0679-PAA-SU issued December 9, 2014, in Docket No. 20140106-SU, *In re: Application for limited proceeding rate increase in Polk County by West Lakeland Wastewater, Inc.*

⁴Order No. PSC-2018-0377-PAA-SU, issued July 30, 2018, in Docket No. 20170246-SU, *In re: Application for authority to transfer facilities and Certificate No. 515-S in Polk County from West Lakeland Wastewater, Inc. to West Lakeland Wastewater, LLC.*

Docket No. 20180202-SU West Lakeland Wastewater, LLC
Customer Meeting Notice

selected as the test year for the instant docket. West Lakeland is seeking recovery of legal expenses associated with prior dockets as well as pro forma items. The Florida Department of Environment Protection (DEP) conducted a compliance evaluation inspection which noted three deficiencies to which the utility responded and addressed all noted deficiencies. The plant is therefore in compliance with DEP rules regulations.

CURRENT AND PRELIMINARY RATES AND CHARGES

Staff has compiled the following recommended rates 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 staff's recommended preliminary rates are as follows:

	RATES AT TIME OF FILING	STAFF RECOMMENDED RATES
<u>Residential</u>		
Base Facility Charge - All Meter Sizes	\$15.82	\$17.28
Charge Per 1,000 gallons		
6,000 gallon cap	\$5.88	\$6.42
<u>General Service</u>		
Base Facility Charge by Meter Size		
5/8" x 3/4"	\$15.82	\$17.28
3/4"	N/A	\$25.92
1"	\$39.55	\$43.20
1-1/2"	\$79.08	\$86.40
2"	\$126.53	\$138.24
3"	\$253.06	\$276.48
4"	\$395.41	\$432.00
6"	\$790.83	\$864.00
8"	\$1,265.32	\$1,382.40
Charge per 1,000 gallons	\$7.05	\$7.70
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>		
2,000 Gallons	\$27.58	\$30.12
4,000 Gallons	\$39.34	\$42.96
6,000 Gallons	\$51.10	\$55.80

STAFF REPORTS AND UTILITY APPLICATION

The results of staff's preliminary investigation are contained in a staff report dated April 29, 2019. Copies of the report may be examined by interested members of the public Monday - Friday from 9:00 a.m. – 9:00 p.m. at the following location:

Lakeland Public Library
100 Lake Morton Drive
Lakeland, FL 33801

PROCEDURES AFTER CUSTOMER MEETING

After the customer meeting, Commission staff will prepare a recommendation which is tentatively scheduled to be submitted to the Commission on June 26, 2019. The Commission will then vote on staff's recommendation at its July 9, 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 at the Commission's website (<http://www.floridapsc.com/>).

HOW TO CONTACT THE COMMISSION

Any person who wishes to comment or provide information to Commission staff may do so at the meetings, 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:

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

All correspondence should refer to **“Docket No. 20180202-SU, West Lakeland Wastewater, LLC.”** 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, 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.

25-22.0407 Notice of and Public Information for General Rate Increase Requests by Water and Wastewater Utilities.

(1) This rule applies to all requests for general rate increases made by water and wastewater utilities.

(2) Upon filing a petition for a general rate increase, the utility shall mail a copy of the petition to the chief executive officer of the governing body of each municipality and county within the service areas included in the rate request. Each copy of the petition shall be accompanied by a statement that a copy of the minimum filing requirements (MFRs) when accepted by the Commission can be obtained from the petitioner upon request.

(3) Within 30 days after the official date of filing established by the Commission, the utility shall place a copy of the petition and the MFRs at its official headquarters and at any business offices it has in the service areas included in the rate request. Such copies shall be available for public inspection during the utility's regular business hours. If the utility does not have a business office in a service area included in its rate request, the utility shall place a copy of the petition and the MFRs at the main county library, the local community center or other appropriate location which is within or most convenient to the service area and which is willing to accept and provide public access to the copies. If the Commission determines that these locations will not provide adequate access, the Commission will require that copies of the petition and MFRs be placed at other specified locations.

(4)(a) Within 30 days after the official date of filing established by the Commission, the utility shall place a copy of its rate case synopsis at all locations where copies of the petition and MFRs were placed.

(b) Within 30 days after the official date of filing established by the Commission, the utility shall mail a copy of its rate case synopsis to the chief executive officer of the governing body of each municipality and county within the service areas included in the rate request.

(c) The utility's rate case synopsis shall be approved by the Commission staff prior to distribution and shall include the following:

1. A summary of the section of the MFRs showing a comparison of the present and proposed rates and charges;
2. A statement of the general reasons for the rate request,
3. A statement of any anticipated major issues involved in the rate case,
4. A description of the ratemaking process and the time schedule established for the rate case; and,
5. The locations where complete MFRs are available.

(5)(a) Within 50 days after the official date of filing established by the Commission, the utility shall provide, in writing, an initial customer notice to all customers within the service areas included in the rate request and to all persons in the same service areas 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.

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

1. The date the notice was issued,
2. A statement that the utility has filed a rate request with the Commission and a statement of the general reasons for the request,
3. A statement of the locations where copies of the MFRs, petition, and rate case synopsis are available for public inspection and the hours and days when inspection may be made,
4. The time schedule established for the case, including the dates, times, and locations of any hearings scheduled,
5. A comparison of current rates and charges and the proposed new rates and charges,
6. The utility's address, telephone number, and business hours,
7. 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 32399-0850, and that such comments should identify the docket number assigned to the proceeding,
8. 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,
9. If the utility has not requested a change in its service availability charges as part of its rate request, a statement that the Commission will be reviewing the utility's service availability charges in the pending rate case and that the Commission may adjust those charges.
10. The docket number assigned by the Commission's Office of Commission Clerk.

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

(6)(a) No less than 14 days and no more than 30 days prior to the date of each service hearing, in those cases where the

Commission has scheduled a service hearing, the utility shall provide written notice of the date, time, location, and purpose of the service hearing to all customers within service areas designated by the prehearing officer or the Commission staff. The notice shall be approved by the Commission staff prior to distribution. The notice shall be mailed to the out-of-town address of all customers who have provided the utility with an out-of-town address.

(b) No less than 14 days and no more than 30 days prior to the date of the hearing, in all cases, including those in which the Commission has scheduled a service hearing, the utility shall provide written notice of the date, time, location, and purpose of the hearing to all customers within the service areas included in the rate request. The notice shall be approved by Commission staff prior to distribution. The notice shall be mailed to the out-of-town address of all customers who have provided the utility with an out-of-town address.

(7) No less than 14 days and no more than 30 days prior to the date of each hearing held in or near a utility service area included in the rate request, the utility shall have published in a newspaper of general circulation in the area in which such hearing is to be held a display advertisement stating the date, time, location, and purpose of the hearing. The notice shall be approved by Commission staff prior to publication.

(8) When a utility files for a petition for a general rate increase and requests that its case be processed as proposed agency action in accordance with Section 367.081(10), F.S., the utility shall comply with the requirements of subsections (2), (3), (4) and (5), of this rule.

(a) No less than 14 days and no more than 30 days prior to the date of a customer meeting conducted by the Commission staff, the utility shall provide written notice of the date, time, location, and purpose of the customer meeting to all customers within service areas designated by the Commission staff. The notice shall be approved by Commission staff prior to distribution. The notice shall be mailed to the out-of-town address of all customers who have provided the utility with an out-of-town address.

(b) If the proposed agency action order issued in the case is protested and any hearings are subsequently held, the utility shall give notice in accordance with subsections (6) and (7), above.

(9) When a utility applies for a staff-assisted rate case in accordance with Section 367.0814, F.S., and Rule 25-30.455, F.A.C., and staff-assistance is granted, the requirements of subsections (2), (3), (4) and (5), of this rule, shall not apply.

(a) Upon receipt of the staff reports, the utility shall place two copies of its application for staff-assistance and the staff reports at any business offices it has in its service area. Such copies shall be available for public inspection during the utility's regular business hours. If the utility does not have a business office in its service area, the utility shall place two copies of its application and the staff reports at the main county library, the local community center or other appropriate location that is within or most convenient to the service area and that is willing to accept and provide public access to the copies.

(b) No less than 14 days and no more than 30 days prior to the date of a customer meeting conducted by the Commission staff, 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 areas 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.

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

1. The date the notice was issued.
2. The time, date, location, and purpose of the customer meeting.
3. A statement that the utility has applied for a staff-assisted rate case and the general reasons for doing so.
4. A statement of the location where copies of the application and the staff reports are available for public inspection and the times during which inspection may be made.
5. A comparison of current rates and charges and the proposed new rates and charges.
6. The utility's address, telephone number, and business hours.
7. 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 32399-0850, and that such comments should identify the docket number assigned to the proceeding.
8. 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.
9. A statement that the Commission will be reviewing the utility's service availability charges in the pending case and that the Commission may adjust those charges.
10. The docket number assigned by the Commission's Office of Commission Clerk.

(d) 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.

(e) If the proposed agency action order issued in the case is protested and any hearings are subsequently held, the utility shall give notice in accordance with subsections (6) and (7), above.

(10) After the Commission issues an order granting or denying a rate change, 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), 367.121(1)(f) FS. Law Implemented 120.569, 120.57, 367.081(2)(a), 367.0814(1), 367.0817, 367.091, 367.121(1)(a) FS. History—New 5-27-93, Amended 5-3-99.