BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water rates in Gulf County by Lighthouse Utilities Company, Inc.

Docket No. 20190118-WU

NOTICE OF FILING AFFIDAVIT OF MAILING INITIAL CUSTOMER NOTICE AND NOTICE OF CUSTOMER MEETING

Lighthouse Utilities Company, Inc., by and through its undersigned counsel, hereby files the attached Affidavit of Mailing Initial Customer Notice and Notice of Customer Meeting in the docket referenced above.

Respectfully submitted this 15th day of January, 2020.

HOLLAND & KNIGHT LLP

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Attorneys for Lighthouse Utilities Company, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was provided by U.S.

Mail this 15th day of January, 2020 to:

Office of Public Counsel J.R. Kelly/P. Christensen c/o The Florida Legislature 111 W. Madison Street, Rm 812 Tallahassee FL 32399 christensen.patty@leg.state.fl.us kelly.jr@leg.state.fl.us Office of the General Counsel Jennifer Crawford/Kristen Simmons Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 jcrawfor@psc.state.fl.us ksimmons@psc.state.fl.us

D. Bruce May, Ji

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water rates in Gulf County by Lighthouse Utilities Company, Inc. Docket No. 20190118-WU

AFFIDAVIT OF MAILING INITIAL CUSTOMER NOTICE AND **NOTICE OF CUSTOMER MEETING**

BEFORE ME, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Mr. Jackie Evans who, after being duly sworn on oath, deposes and says that he is the billing clerk for Lighthouse Utilities Company, Inc. (the "Utility") and on January 9, 2020, he did send by United States Mail a copy of the attached Commissionapproved Initial Customer Notice and Notice of Customer Meeting to all customers within the service area of the Utility, and all persons in the service area who have a filed a written request for service or have been provided a written estimate for service within twelve (12) calendar months prior to the month the Application was filed.

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The foregoing instrument w	as acknowledged before me by means of physica
presence or online notarize	
known to me or who has produced 0	as identification.
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CHERYL Y HAUN Notary Public - State of Florida	Notary Public, State of Florida
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BEFORE THE PUBLIC SERVICE COMMISSION

INITIAL CUSTOMER NOTICE AND NOTICE OF CUSTOMER MEETING

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

RE: DOCKET NO. 20190118-WU APPLICATION FOR INCREASE IN WATER RATES IN GULF COUNTY BY LIGHTHOUSE UTILITIES COMPANY, INC.

DATED: January 8, 2019

NOTICE is hereby given that the Staff of the Florida Public Service Commission will conduct a customer meeting to discuss the Application for an Increase in Rates of Lighthouse Utilities Company, Inc. ("Utility"). The meeting will be held at the following time and place:

6:00 p.m., January 23, 2020 Centennial Building 300 Allen Memorial Way Port St. Joe, Florida 32456

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.

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 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).

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 Public Service Commission staff regarding the quality of service the Utility provides and to 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 Public Service 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

All correspondence should refer to "Docket No. 20190118-WU, Lighthouse Utilities Company, 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: https://secure.floridapsc.com/ClerkOffice/EfilingPublic.

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

http://www.floridapsc.com/ConsumerAssistance/ComplaintForm.

BACKGROUND

The Utility is a Class B water utility and provides water service to approximately 1,361 customers in Gulf County, primarily in the Cape San Blas area. The Utility has been in existence since 1984. The Utility was granted Certificate No. 491-W. The Utility's rates and charges were last approved on September 26, 2011.

On September 26, 2018, the Utility petitioned the Commission for a limited proceeding to increase its water rates to cover the cost of a capital project to bring its aged water system into compliance with state and federal minimum requirements for water quality, and to harden the Utility's system which is located along coastal areas in Gulf County, Florida and vulnerable to hurricane damage. Unfortunately, on October 10, 2019 -- just 14 days after the Utility filed its petition for limited proceeding -- Hurricane Michael destroyed or damaged substantial portions of the Company's water distribution system. To avoid the delay and expense in trying to resolve

whether the limited proceeding process is available, on July 12, 2019, the Utility filed its application for a general rate case pursuant to section 367.081, Florida Statutes (the "Application").

For its Application, the Utility has used the historical test year ending December 31, 2018, as the appropriate period for establishing rates. For this period, the Utility had revenues of approximately \$728,696 and expenses of \$747,823, for a loss of \$19,127. There has been a trend of continuing increases in expenses without a corresponding increase in revenues, and this is expected to continue, particularly in the aftermath of Hurricane Michael. In order to provide the necessary funds to continue to provide service, and to fund the investment needed to maintain the system, the Utility has filed its Application seeking additional revenues.

The Application was filed pursuant to the Proposed Agency Action ("PAA") provision of Chapter 367, Florida Statutes. Under this process the Application, including all the MFRs, data responses, audit reports, and other public data, are reviewed by the Public Service Commission Staff and a recommendation is prepared by the staff for consideration by the Commissioners assigned to hear this case. The staff will prepare a recommendation based on their review and analysis of all the information collected during the course of the case. This recommendation will be considered and voted on by the Commission at a regularly scheduled and noticed public meeting. After their review, the Commissioners will accept, reject, or modify the Staff Recommendation.

Copies of the Utility's Application and all attachments are available for inspection by members of the public at the following locations:

Lighthouse Utilities Company, Inc. 155 W. Highway 98 Port St. Joe, Florida 32456 Business hours: 9:00 a.m. – 4:30 p.m. Monday through Friday.

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

CURRENT AND PROPOSED RATES AND CHARGES

The current and requested 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:

	Current Rates	Utility's Requested Final Rates
General, Residential and Multi-		
Residential Service		
Base Facility Charge by Meter Size		
5/8" x 3/4 "	\$14.72	\$19.90
1"	\$22.09	\$29.87
1.5"	\$36.82	\$49.79
2"	\$73.62	\$99.54
3"	\$117.80	\$159.28
4"	\$235.60	\$318.56
6"	\$368.12	\$497.75
8"	\$1,325.24	\$1,791.90
10"	\$2,135.10	\$2,886.93
Charge per 1,000 gallons	\$3.60	\$4.87

SERVICE AVAILABILITY CHARGES

The company is not requesting any changes to its service availability charges. Although not requested to do so, the Commission may review and adjust service availability charges.

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