BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water and wastewater rates in Brevard, Citrus, Duval, Highlands, Marion, and Volusia Counties by CSWR-Florida Utility Operating Company.

DOCKET NO. 20250052-WS ORDER NO. PSC-2025-0318-PCO-WS ISSUED: August 21, 2025

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman ART GRAHAM GARY F. CLARK ANDREW GILES FAY GABRIELLA PASSIDOMO SMITH

ORDER SUSPENDING TARIFF

BY THE COMMISSION:

Background

CSWR-Florida Utility Operating Company (CSWR or Utility) is a Class A utility providing water and wastewater service to 11 systems in the following counties: Brevard, Citrus, Duval, Highlands, Marion, and Volusia. As the result of recent acquisitions and a grandfather certificate, CSWR is now a Florida domestic limited liability company that owns and operates the water and wastewater systems that are the subject of this rate case application. CSWR is a wholly-owned subsidiary of CSWR-Florida Utility Holding Company, LLC.

In 2024, the Utility recorded consolidated company operating revenues of \$3,853,102 for water and \$3,332,319 for wastewater. CSWR reported a net operating loss of \$1,436,909 for water and \$136,494 for wastewater. The Utility has approximately 144,303 water customers and 87,571 wastewater customers for its combined systems. The following table reflects the rate proceeding in which rates were last established for each of CSWR's systems.

Last Proceedings Establishing Rates for CSWR Systems

Former Utility Name	Order	Issuance Date
Aquarina Utilities, Inc.	PSC-2020-0158-PAA-WS	May 15, 2020
BFF Corp.	PSC-2002-0487-PAA-SU	April 8, 2002
C.F.A.T. H2O, Inc.	PSC-2011-0366-PAA-WS	August 31, 2011
Neighborhood Utilities, Inc.	PSC-2016-0537-PAA-WU	November 23, 2016
North Peninsula Utilities, Corp.	PSC-2019-0461-PAA-SU	October 25, 2019
Rolling Oaks Utilities, Inc.	Citrus County Approved	February 1, 2022
Sebring Ridge Utilities, Inc.	PSC-1996-0869-FOF-WS	July 2, 1996

Sunshine Utilities, Inc.	PSC-2012-0357-PAA-WU	July 10, 2012
TKCB, Inc.	PSC-2021-0435-PAA-SU	November 22, 2021
Tradewinds Utilities, Inc.	PSC-2011-0385-PAA-WS	September 13, 2011
Tymber Creek Utilities, Inc.	PSC-2011-0345-PAA-WS	August 16, 2011

During the years of 2021-2024, CSWR applied to acquire ten of the systems in this rate proceeding, and all ten transfer dockets were approved by us. On August 26, 2024, CSWR applied for a grandfather certificate for Rolling Oaks Utilities, Inc. as the eleventh system. On July 21, 2025, by Order No. PSC-2025-0280-PAA-WS, we approved the grandfather certificate.¹

On May 30, 2025, CSWR filed an application for approval of interim and final water and wastewater rate increases. By letter dated June 27, 2025, our staff advised the Utility that its Minimum Filing Requirements (MFRs) had several deficiencies. The deadline to correct those deficiencies was July 28, 2025. Another deficiency letter was sent out on August 15, 2025. To date, the official date of filing has not been established for noticing purposes.

The Utility's application for increased final water and wastewater rates is based on the historical 12-month period ended January 31, 2025, with requested capital recovery for facility improvements since the time of acquisitions. Additionally, the Utility requested a single, consolidated rate structure. CSWR requested interim rates for all of its systems, designed to generate additional revenues of \$2,279,365 for water operations and \$225,973 for wastewater operations. CSWR requested final rates designed to generate additional revenues of \$3,223,769 for water operations and \$954,881 for wastewater operations.

The intervention of the Office of Public Counsel (OPC) was acknowledged by Order No. PSC-2025-0113-PCO-WS, issued April 7, 2025, in this docket.

The original 60-day statutory deadline for us to suspend the Utility's requested final rates and address its interim rate request was August 5, 2025. However, by letter dated June 30, 2025, the Utility agreed to extend the statutory time frame to September 4, 2025, by which we are required to address the suspension of CSWR's final rates and its interim rate request. This order addresses the suspension of the Utility's requested final rates. Two recommendations will be filed to address the requested interim rates on August 22, 2025, for the September 4, 2025 Commission Conference, and on September 26, 2025, for the October 7, 2025 Commission Conference. We have jurisdiction pursuant to Sections 367.081 and 367.082, Florida Statutes (F.S.).

Decision

Section 367.081(6), F.S., provides that the rates proposed by the Utility shall become effective within sixty days after filing unless we vote to withhold consent of implementation of

¹ Order No. PSC-2025-0280-PAA-WS, issued July 21, 2025, in Docket No. 20240130-WS, *In re: Application for granafather certificate to operate water and wastewater utility in Citrus County, by CSWR-Florida Utility Cperating Company, LLC.*.

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the requested rates. The order reflecting such a vote shall state a reason or statement of good cause for the withholding of consent.

We have reviewed the filing and have considered the proposed rates, the revenues thereby generated, and the information filed in support of the rate application. We find that it is reasonable and necessary to require further amplification and explanation regarding this data, and to require production of additional and/or corroborative data. This further examination will include a review by our staff accountants and engineers. We find that discovery requests will be necessary. Therefore, we suspend the Utility's proposed rate increase to allow our staff and any intervenors sufficient time to adequately and thoroughly examine the appropriateness of the Utility's request for final rate relief. We find that these reasons constitute good cause under Section 367.081(6), F.S.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that CSWR-Florida Utility Operating Company's proposed final water and wastewater rates shall be suspended. It is further

ORDERED that this docket shall remain open pending our final action on CSWR-Florida Utility Operating Company's requested rate increase.

By ORDER of the Florida Public Service Commission this 21st day of August, 2025.

ADAM J. TEITZMAN

Commission Clerk

Florida Public Šervice Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399

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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.