

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-2026-0209-PCO-WS
ISSUED: June 5, 2026

ORDER GRANTING IN PART AND DENYING IN PART
CSWR-FLORIDA UTILITY OPERATING COMPANY, LLC'S MOTION TO STRIKE FINAL
AUDIT REPORT REVISED FINDING 3 RELATING TO LAND AND LAND RIGHTS OR,
IN THE ALTERNATIVE, REQUEST TO FILE SUPPLEMENTAL REBUTTAL

An administrative hearing has been scheduled in this docket for June 8-12, 2026, pursuant to Order Establishing Procedure No. PSC-2025-0457-PCO-WS, issued December 16, 2025. Consistent with the requirements of that order, on March 27, 2026, Commission staff filed testimony and exhibits for two witnesses. Witness Mouring filed testimony supporting the staff Auditor's Report addressing CSWR-Florida Utility Operating Company, LLC's (CSWR-Florida or utility) filing in this docket. The Auditor's Report was attached to witness Mouring's testimony as Exhibit CM-1. On May 28, the Bureau of Auditing filed an errata withdrawing Audit Finding 2 and revising Audit Finding 3 of CM-1.¹ The effect of the revision to Audit Finding 3 was to deduct approximately \$6 million from the utility's land balances, because the finding did not accurately reflect Commission practice regarding the original cost of land.

On June 1, 2026, (CSWR-Florida) filed a Motion to Strike Final Audit Report Revised Finding 3 Relating to Land and Land Rights or, in the Alternative, Request to File Supplemental Rebuttal (Motion). In its Motion, CSWR-Florida contends that the timing of the revision to Audit Finding 3 does not permit the utility to conduct discovery or file rebuttal testimony, contrary to the utility's due process rights. CSWR-Florida therefore requests that the revision to Audit Finding 3 be stricken and excluded from the upcoming hearing and record of this proceeding. In the alternative, CSWR-Florida requests that it be allowed to file supplemental rebuttal testimony by utility witness Thies, attached to the Motion, provided doing so does not postpone or require rescheduling the June 8 hearing. The utility represents it has conferred with counsel for the Office of Public Counsel (OPC), who stated that OPC takes no position on the motion and will not be filing a response.²

Ruling

It is always the best practice to have the correct, most up-to-date information in a Commission administrative proceeding. Where errors have occurred, they should be corrected; where updates to pro forma projects are available, they should be provided.³ For that reason, I

¹ Document No. 03178-2026

² OPC's intervention was acknowledged by Order No. PSC-2025-0113-PCO-WS, issued April 7, 2025.

³ See *Citizens v. Florida Public Service Commission*, 294 So. 3d 961 (Fla. 1st DCA 2019) (updated pro forma cost information provided during rebuttal did not violate due process.)

decline to strike the revision to Audit Finding 3. However, due process requires that affected parties must be given a meaningful opportunity to address any such changes that are made prior to hearing. In this instance, CSWR-Florida will have the opportunity to cross-examine witness Mouring as to the appropriateness of the revision to Audit Finding 3. In addition, I find that the utility's alternative request to file supplemental rebuttal testimony by witness Thies provides an important balance to ensure that the utility is afforded an opportunity to present its position with respect to Audit Finding 3, but without disrupting the current hearing schedule.

Accordingly, CSWR-Florida's motion is denied with respect to the request to strike the revision to Audit Finding 3, and granted with respect to the alternative request to file supplemental rebuttal testimony by utility witness Thies. The supplemental rebuttal testimony shall be deemed filed and included for all purposes of this proceeding, along with the rebuttal testimony of Mr. Thies filed on April 17, 2026.

Therefore, it is

ORDERED by Commissioner Gary Clark, as Prehearing Officer, that CSWR-Florida Utility Operating Company, LLC's Motion to Strike Final Audit Report Revised Finding 3 Relating to Land and Land Rights or, in the Alternative, Request to File Supplemental Rebuttal, is denied in part, and granted in part, as set forth herein.

By ORDER of Commissioner Gary F. Clark, as Prehearing Officer, this 5th day of June, 2026.



GARY F. CLARK
Commissioner and Prehearing Officer
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

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

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.