

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for staff-assisted rate case in
Lake County, by Sunlake Estates Utilities,
L.L.C.

DOCKET NO. 20250108-WS
ORDER NO. PSC-2026-0296-PAA-WS
ISSUED: August 24, 2026

The following Commissioners participated in the disposition of this matter:

GABRIELLA PASSIDOMO SMITH, Chairman
GARY F. CLARK
MIKE LA ROSA
BOBBY PAYNE
ANA ORTEGA

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING RATE INCREASE FOR SUNLAKE ESTATES UTILITIES, L.L.C.

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission (Commission) that the action discussed herein is preliminary in nature—except with regard to (1) the reduction of rates after four years based upon the recovery of rate case expense, (2) the granting of temporary rates in the event of protest, and (3) the requirement for proof of adjustment of books and records—and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.). The reduction of rates after four years, the granting of temporary rates in the event of protest, and the requirement for proof of adjustment of books and records are procedural agency actions and subject to reconsideration and appeal as described in the attached “Notice of Further Proceedings or Judicial Review.”

Background

Sunlake Estates Utilities, L.L.C. (Sunlake or Utility) is a Class C Utility providing water and wastewater service to 454 residential customers, 8 general service customers, and 5 irrigation customers in Lake County. In 2014, the Commission granted the Utility certificates for the water and wastewater systems.¹ Subsequently, the Utility’s rates were amended by five price index adjustments with the last increase approved effective June 13, 2025. The Utility is a wholly-owned subsidiary of Sun Communities Finance, LLC, and files a partnership tax return.

¹ Order No. PSC-2014-0018-PAA-WS, issued January 7, 2014, in Docket No. 20130180-WS, *In re: Application for original certificates to provide water and wastewater service in Lake County by Sunlake Estates Utilities, L.L.C.*

On September 2, 2025, the Utility filed an application for a staff-assisted rate case (SARC) for both water and wastewater.² However, the Utility withdrew the wastewater portion of the SARC on March 19, 2026.³ According to Sunlake's 2024 Annual Report, gross revenues for water were \$108,001 and operating expenses were \$183,790.

We have jurisdiction pursuant to Sections 367.011, 367.081, 367.0812, 367.0814, 367.091, and 367.121, Florida Statutes (F.S.).

Review and Decision

I. Quality of Service

Pursuant to Section 367.081(2)(a)(1), F.S., and Rule 25-30.433(1), F.A.C., in water rate cases, this Commission shall determine the overall quality of service provided by the utility. This determination is made from an evaluation of the quality of the utility's product and the utility's attempt to address customer satisfaction. The rule further states that the most recent chemical analyses for the water system, outstanding citations, violations, and consent orders on file with the DEP and the county health department, and any DEP and county health department officials' testimony, comments, or complaints received by the Commission are also reviewed. The operating condition of the water system is addressed in Section II.

A. Quality of the Utility's Product

In evaluating Sunlake's product quality, Commission staff reviewed the Utility's compliance with the DEP's primary and secondary drinking water standards. Primary standards protect public health, while secondary standards regulate contaminants that may impact the taste, odor, and color of drinking water. In the DEP's last Sanitary Survey Report dated July 2, 2024, no chemical or bacteriological exceedances, except for the groundwater nitrate levels, were noted for the previous 12 months. The DEP indicated on the Discharge Monitoring Report from April 2024 that the nitrate limit of 10.0 milligrams per liter (mg/L) was exceeded at 11 mg/L. However, DEP indicated that the exceedance was an isolated event and no further action was required from the Utility. Other than groundwater quality, the Utility was determined to be in compliance with the DEP standards. In the Utility's last Consumer Confidence Report dated June 12, 2025, no violations of contaminant levels were detected for the testing period.

B. The Utility's Attempt to Address Customer Satisfaction

Commission staff reviewed the complaints filed in the Commission's Consumer Activity Tracking System (CATS), complaints received by the Utility, and complaints filed with the DEP for the test year and four years prior. There was one complaint filed in CATS during that period regarding the number of line breaks, service interruptions, and boil-water notices (BWN). A review of the complaint indicates the Utility responded to the Commission and customer, but failed to do so within 15 days of the complaint being filed with us as required by Rule 25-

² Document No. 08854-2025, filed September 2, 2025.

³ Document No. 01642-2026, filed March 19, 2026.

30.355(1), F.A.C. The Utility reported that it received no complaints during this timeframe. The DEP responded that it received no complaints during this timeframe.

A customer meeting was held on May 15, 2026, where eight customers provided comments. The comments included the frequency of BWNs, water line breaks, and service interruptions, the state of the water infrastructure, and concerns regarding the impact of the proposed rate increase. Customers also voiced concerns regarding the amount of unaccounted for water. In addition, there were approximately 145 customer comments filed in the docket as of June 30, 2026. For reference, the Utility serves approximately 467 customers, which includes 454 residential customers.

Table 1 shows a total of 396 different comments (provided verbally at the customer meeting and written via the docket file) over six categories. A single customer comment was counted in multiple categories if it addressed multiple issues (one time in each category). While the majority of the comments expressed concern with the overall rate increase, there were a number of comments expressing concerns regarding the overall quality of service and the frequency of outages. The Other category captured all other concerns, such as water conservation, lawn maintenance, unmetered water use, and unaccounted for water.

Table 1
Number of Comments Received, Organized by Category and Source

Comment Category	Verbal Comments	Written Comments	Total*
Quality of Service	7	65	72
Outages and/or BWNs	7	69	76
Improper Billing	-	3	3
Meter Concerns	2	1	3
Rate Increase Concerns	7	144	151
Other	4	87	91
Total	27	369	396

*A single customer comment or complaint may be counted multiple times if it is associated with multiple categories.

As summarized in Table 1, several comments addressed outages and BWNs. Specifically, comments were centered around communication concerns and the frequency of line breaks. Customers reported inadequate communication to the community when water-related issues occurred and the inability to directly contact the Utility. Currently, a phone number to the Sunlake Estates' community management is provided to the Utility's customers. Community management forwards calls to the Utility staff as needed.⁴ Customer comments suggest that this indirect communication might result in an undercount of historic complaints.

Rule 25-30.130, F.A.C., requires that the utility maintain records of all complaints for a minimum of five years. Pursuant to Rule 25-30.355(2), F.A.C., a complaint is defined as "an objection made to the utility by a customer by telephone call, by email, by letter, or on the

⁴ Document No. 03352-2026, filed June 5, 2026.

utility's website form as to the utility's charges, facilities or service that requires action by the utility." We find that this definition includes phone calls made directly to the Utility as well as those made to a number provided to customers by the Utility for the purpose of reporting water issues. Accordingly, Sunlake shall record information required by Rule 25-30.130, F.A.C., for all customer complaints regardless of whether the complaints are received by Sunlake or Sunlake Estates' community management.

Regarding the frequency of line breaks, Commission staff inquired what steps, if any, Sunlake intended to take to reduce service interruptions. As an initial measure, the Utility installed valves in 2022 to isolate portions of the system, as prior outages would impact the entire water system. The Utility responded that a full system replacement was not necessary based on the nature and frequency of the line breaks.⁵ Instead, the Utility explained that it relies on a repair and maintenance approach rather than system wide replacement since these interruptions were deemed to be isolated or localized rather than systemic.

Pursuant to Rule 25-30.251, F.A.C., the utility is required to maintain a record of all interruptions in service which affect 10 percent or more of its customers and to notify the Commission of the interruptions. The rule further states the utility must provide the cause of the interruption, the date, time, duration, remedy, and steps taken to prevent reoccurrence. In response to staff's sixth data request, the Utility provided service interruption data for the period 2021 through 2026.⁶ According to the Utility's data, complete system outages impacting all the customers happened once each in 2022 and 2023, seven times in 2024, and twice in 2025. In addition, there were five line breaks impacting between 14 to 42 percent of customers in 2025, and entries for several other service interruptions with multiple sites listed as impacted in the description, but for which the Utility stated there were no sites impacted in its total. Some customer comments provided a different number of interruptions than those reported by the Utility. Overall, there were at least 18 instances between 2022 and 2026 that the Utility should have informed the Commission of, but did not do so. Subsequent to Commission staff's data request, the Utility stated it has now established a protocol to comply with Rule 25-30.251(2), F.A.C.

A small fraction of customers also had concerns regarding water meter accuracy, calibration, and inconsistencies. Rule 25-30.265, F.A.C., outlines the intervals that utilities must inspect and test their meters, with a maximum interval of 8 to 10 years between tests for commonly used residential meter sizes. In response to staff's sixth data request, Sunlake reported it did not have a formal meter testing program and that meter testing and inspections were performed on an as-needed basis.⁷ Sunlake indicated it had only received one customer request for meter testing since 2020.

Commission staff performed a supplemental review of the complaints filed in CATS following the customer meeting and found two additional complaints as of June 30, 2026. Both complaints were associated with service interruptions.

⁵ Document No. 03352-2026, filed June 5, 2026.

⁶ *Id.*

⁷ *Id.*

C. Managerial Concerns

Commission staff's careful review of the Utility's attempt to address customer satisfaction demonstrates issues related to poor recordkeeping, customer communication and reporting by Utility management. Such actions can negatively impact the customer service provided by Sunlake. Sunlake has committed to properly notify the Commission of service interruptions. Nonetheless, we hold that Sunlake shall be required to submit, within 30 days of this Order becoming final, a plan describing how it will accomplish the following to remedy the remaining concerns raised by customers:

1. Regarding complaints, the Utility must document and maintain records of all customer complaints pursuant to Rule 25-30.130, F.A.C. whether received directly from the customer or indirectly through another entity such as Sunlake Estates' community management,. In addition, when the Utility provides acknowledgement and responses to a complaint pursuant to Rule 25-30.355, F.A.C., it should do so to the original customer who provided the complaint, even if the complaint was indirectly provided to the Utility by its parent or affiliate companies.
2. Regarding meter testing, the Utility must begin conducting regular meter testing at the required intervals pursuant to Rule 25-30.265, F.A.C. Additionally, the Utility must perform meter tests upon customer request and keep and maintain records of all tests performed.

Further, we hold that Sunlake shall submit to a management audit conducted by Commission staff, and any unsatisfactory report from Commission staff regarding compliance with the management audit may result in initiation of a show cause proceeding by this Commission. Finally, to help remedy the quality of service deficiencies we have identified, Sunlake shall arrange and hold at least one formal customer meeting in each calendar year of 2027 and 2028. Within one month of the conclusion of each such meeting, Sunlake shall file a report in this docket to summarize to us topics discussed and any results of the meetings.

D. Conclusion

For the reasons set forth above, we find Sunlake's quality of service to be unsatisfactory. The Utility's poor recordkeeping and reporting negatively impact the customer service provided by Sunlake, as well as the Utility's obligation to provide timely and accurate information to us in a transparent manner. For the reasons set forth above, we find Sunlake's quality of service to be unsatisfactory. Accordingly, pursuant to Section 367.0812(4), F.S., there shall be a 75 basis point reduction to ROE.

II. Infrastructure and Operating Conditions

Rule 25-30.225(2), F.A.C., requires each water utility to maintain and operate its plant and facilities by employing qualified operators in accordance with the rules of the DEP. Rule 25-30.433(2), F.A.C., requires consideration of whether the infrastructure and operating conditions

of the plant and facilities are in compliance with Rule 25-30.225, F.A.C. In making this determination, we must consider testimony of the DEP and county health department officials, sanitary surveys for water systems, citations, violations and consent orders issued to the utility, customer testimony, comments, complaints, utility testimony, and responses to the aforementioned items.

A. Water System Operating Conditions

Sunlake's water system has a permitted capacity of 639,000 gallons per day and has two 12-inch diameter wells and one hydropneumatic storage tank. Well No. 1 has a pumping capacity of 500 gallons per minute (gpm). Well No. 2 has a pumping capacity of 588 gpm. The single hydropneumatic storage tank has a capacity of 10,500 gallons. The groundwater is treated by hypochlorination. The DEP conducted an inspection of Sunlake's water treatment plant (WTP) on July 2, 2024. The resulting Sanitary Survey Report indicated the facility was in compliance with the DEP's rules and regulations, except for the groundwater quality, which was resolved, as stated above in Section I.

B. Conclusion

For the reasons stated above, we find that the Sunlake water treatment facility is in compliance with the rules and regulations of the DEP.

III. Used and Useful

Sunlake's water system is served by two 12-inch diameter wells rated at 500 gpm and 588 gpm. The Utility's WTP is permitted by DEP to treat an average of 639,000 gallons per day. In response to Commission staff's data requests, the Utility stated that the water distribution system is composed of 3,102 feet of 2-inch and 8,389 feet of 6-inch Polyvinyl Chloride pipe.⁸ Additionally, the system has 40 fire hydrants.

A. Excessive Unaccounted for Water

Rule 25-30.4325, F.A.C., provides factors to be considered in determining whether adjustments to operating expenses are necessary for excessive unaccounted for water (EUW). EUW is defined by Rule 25-30.4325, F.A.C., as "unaccounted for water in excess of 10 percent of the amount produced." Unaccounted for water is all water that is not sold, metered, or accounted for in the records of the utility. EUW is calculated by subtracting both the gallons sold to customers and the gallons used for other services such as line flushing, from the total gallons pumped and purchased for the test year, and dividing by the sum of the gallons pumped and purchased. The amount in excess of 10 percent of the amount pumped and purchased, if any, is the EUW percentage.

A review of Sunlake's 2024 monthly operating reports on file with the DEP indicates the Utility produced 47,507,000 gallons of water during the test year. In response to Commission

⁸ Document No. 02561-2026, filed May 1, 2026.

staff's data requests, the Utility indicated that it purchases no water and identified that it flushes the 40 fire hydrants in its service territory every three (3) months, or quarterly. The Utility provided multiple estimates of flushing values, ranging from 400,000 gallons to 2,508,572 gallons based on different flow rates. Commission staff formed an estimate of water used for line and hydrant flushing to be approximately 400,000 gallons per year, based on the more typical 500 gpm rate.⁹ The Utility provided an estimate of line losses from known water breaks during the test year, but the estimated water lost exceeded the amount produced in all months and during the test year as a whole when properly calculated, therefore staff made no adjustment for line losses.¹⁰ An examination of the Utility's billing records indicated 32,391,440 gallons were sold to residential and 4,370,718 gallons were sold to general service customers for a total of 36,762,158 gallons sold. The calculation $(47,507,000 + 0 - 36,762,158 - 400,000) / (47,507,000 + 0)$ results in 21.78 percent unaccounted for water. The Rule allows a 10 percent margin; therefore, there is 11.78 percent EUW.

B. Used and Useful Percentages

Rule 25-30.4325, F.A.C., also addresses the method by which the U&U percentage of a water system is determined. Rule 25-30.4325(4), F.A.C., states that a water treatment system is considered 100 percent U&U if the service territory the system is designed to serve is built out and there is no apparent potential for expansion of the service territory, or the system is served by a single well. During its original certification, issued in 2014, the Commission determined that the territory was built-out, resulting in a 100 percent U&U for the WTP and distribution system.¹¹ Because there have been no significant changes to the water system or service territory since this determination, the U&U percentage for Sunlake's WTP and distribution system shall be considered to be 100 percent.

C. Conclusion

Sunlake's WTP and water distribution system shall both be considered 100 percent U&U. Additionally, an 11.78 percent adjustment for excessive unaccounted for water shall be made to reduce the operating expenses for chemicals and purchased power.

IV. Average Test Year Rate Base

The appropriate components of the Utility's rate base include utility plant in service (UPIS), land and land rights, accumulated depreciation (AD), capital recovery, accumulated amortization of capital recovery, contributions-in-aid-of-construction (CIAC), accumulated amortization of CIAC (AA of CIAC), and working capital. Staff selected the test year ended December 31, 2024, for this rate case. A summary of each component and the approved adjustments are discussed below.

⁹ Document No. 02561-2026, filed May 1, 2026.

¹⁰ *Id.*

¹¹ Order No. PSC-2014-0018-PAA-WS, issued January 7, 2014, in Docket No. 20130180-WS, *In re: Application for original certificate to provide water and wastewater service in Lake County by Sunlake Estates Utilities, L.L.C.*

A. Pro Forma Plant Additions

When evaluating a utility's request for pro forma plant additions, staff requests the Utility provide, among other things the: (i) need; (ii) reasonableness; (iii) cost; (iv) in-service date(s); and (v) alternatives, as they relate to each project. Additionally, it is Commission practice for staff to evaluate whether a minimum of three bids were solicited for each project or the Utility's reasoning as to why three could not be obtained. Table 2 shows six pro forma plant projects all of which the Utility classified as emergencies, and therefore did not seek bids. Each of the Utility's requested pro forma projects are described below.

Table 2
Pro Forma Projects

	Project	In-Service Date	Account Number	Amount	Retirement
1.	Auto Transfer Switch at WTP Generator	4/2025	320	\$2,000	\$1,500
2.	New LAN Gateway System for Electronic Water Reads	10/2025	346	4,463	3,347
3.	Water Line Break at J31	2/2025	331	6,936	5,202
4.	Water Line Break 0U14	7/2025	331	5,890	4,418
5.	Water Line Replacement 0U02	7/2025	331	1,632	1,224
6.	Water Main Break	7/2025	331	<u>5,487</u>	<u>4,115</u>
	Total			<u>\$26,408</u>	<u>\$19,806</u>

Source: Sunlake's supplemental response to staff's first data request.¹²

1. Project No. 1 – Auto Transfer Switch at WTP Generator

Project No. 1 is the replacement of the auto transfer switch for the backup generator power. The purpose of the transfer switch is for the water treatment plant to automatically switch to generator power in the event of power failure. Sunlake stated that the project was deemed an emergency because the existing auto transfer switch had failed. The Utility provided the invoice for the project, which totaled \$2,000 and was completed April 2025. Rule 25-30.250, F.A.C., states that each utility must make all reasonable efforts to provide continuous service. Therefore, after reviewing the project, we find the project was an emergency and approve the total project cost of \$2,000 for the replacement of the auto transfer switch to provide generator power in the event of a power outage.

2. Project No. 2 – New LAN Gateway System for Electronic Water Reads

Project No. 2 is the replacement of the local access network gateway. The gateway collects consumption data ensuring accurate billing for each customer. Sunlake stated that the project was deemed an emergency because the existing gateway was damaged by lightning. The

¹² Document No. 00925-2026, filed February 4, 2026.

Utility provided invoices from SpeedRead Technologies LLC and Electrical Works Florida, totaling \$4,463. The project was completed October 2025. Rule 25-30.335, F.A.C., states that the utility is obligated to timely correct any problems within the utility's control causing the need to estimate bills. Therefore, we find the project was an emergency and approve the total project cost of \$4,463 for the replacement of the local access network gateway.

3. Project No. 3 – Water Line Break at J31

Project No. 3 is the replacement of 10 feet of a 6" water main line feeding a fire hydrant. The replacement of the main water line serving a fire hydrant was required to be in compliance with regulations necessitating that the fire hydrant be operational. The Utility provided an invoice for the replacement of 10 feet of 6" pipe and necessary fittings totaling \$6,936, which was completed February 2025. Section 633.312, F.S., states that the maintenance of fire hydrants and fire protection systems as well as corrective actions on deficient systems is the responsibility of the owner of the system or hydrant. Therefore, we find the project was an emergency and approve the total project cost of \$6,936.

4. Project No. 4 – Water Line Break 0U14

Project No. 4 is the removal and replacement of 10 feet of a 6" water main line that had failed. The removal and replacement of the broken section of pipe was required to maintain water service. Sunlake provided an invoice for the repair of the water main totaling \$5,890, which was completed July 2025. Rule 25-30.250, F.A.C. states should interruption in service occur, each utility must restore service with the shortest delay. Therefore, we find the project was an emergency and approve the total project cost of \$5,890.

5. Project No. 5 – Water Line Replacement 0U02

Project No. 5 is the removal and replacement of 10 feet of a 3/4" polyethylene line. The removal and replacement of the broken section of water line was required to maintain water service. Sunlake provided an invoice for the repair of the water line totaling \$1,632, which was completed July 2025. Pursuant to Rule 25-30.250, F.A.C., requiring the utility to restore service with the shortest delay, we find the project was an emergency and approve the total project cost of \$1,632.

6. Project No. 6 – Water Main Break

Project No. 6 is the replacement of 10 feet of 1" polyethylene pipe and necessary fittings. The water line had a break underneath the road causing water to bubble underneath the asphalt and needed to be replaced. Sunlake provided an invoice for the removal and replacement of 10 feet of polyethylene pipe and asphalt patch totaling \$5,487, which was completed July 2025. Rule 25-30.250, F.A.C., requires the utility to restore service with the shortest delay possible. Therefore, we find the project was an emergency and approve the total project cost of \$5,487.

B. Utility Plant in Service

The Utility recorded a UPIS balance of \$942,813. The Utility did not maintain complete ledgers or property records for several years. Therefore, Commission staff reconstructed UPIS using Commission Order No. PSC-2014-0018-PAA-WS, annual reports, and available invoices.¹³ Commission audit staff corrected misclassified additions, applied previously-ordered adjustments, and removed items that had been improperly booked or recorded in the wrong period. These adjustments increased UPIS by \$97,415. Commission staff also increased UPIS by \$64,868 to reflect an averaging adjustment.

The Utility did not record retirements from December 31, 2012, through December 31, 2024. Thus, Commission staff decreased UPIS by \$227,469 to reflect the appropriate period retirements. Further, Commission staff reclassified operation and maintenance (O&M) expenses that were incorrectly recorded in UPIS. Lastly, Commission staff decreased UPIS by \$19,806 for pro forma retirements and increased it by \$26,408 for pro forma additions.

Overall, Commission staff's adjustments result in a net decrease of \$58,584. Therefore, we approve a UPIS balance of \$884,229.

C. Capped Retirement

In general, it is Commission practice to use the 75 percent of plant addition methodology to estimate the retirement amount of assets being replaced when the original cost is unknown. In this case, for certain accounts, application of the 75 percent retirement methodology results in an overall negative plant balance. Therefore, we have capped the retirement amounts at the plant balance for respective accounts in the relevant years. This methodology has been utilized in Docket No. 20160101-WS and was approved by Order No. PSC-2017-0361-FOF-WS.¹⁴ In that order, the Commission found that: "the amount of retirement to plant in service and accumulated depreciation reflected in the adjusted test year shall be calculated based on either the 75 percent methodology . . . or on the actual balance in the impacted plant in service account . . . if that balance would be negative as a result of the 75 percent methodology."¹⁵

Due to the capped retirement, two accounts have remaining undepreciated plant balances. We believe that these remaining balances should be recovered as amortization expense over a seven-year period. Although Rule 25-30.433(10), F.A.C., prescribes the formula for determining the appropriate amortization period for forced abandonment or the prudent retirement of plant assets prior to the end of their depreciable life, we find appropriate an amortization period of seven years. However, an alternate amortization period is permitted under the rule. Our holding in this Order is to spread the recovery of these costs over a longer period to mitigate the

¹³ Order No. PSC-2014-0018-PAA-WS, issued January 7, 2014, in Docket No. 20130180-WS, *In re: Application for original certificates to provide water and wastewater service in Lake County by Sunlake Estates Utilities, L.L.C.*

¹⁴ Order No. PSC-2017-0361-FOF-WS, issued September 25, 2017, in Docket No. 20160101-WS, *In re: Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties by Utilities, Inc. of Florida.*

¹⁵ *Id.*

immediate annual rate impacts. We have identified two accounts that have remaining undepreciated plant balances, as reflected in Table 3 below.

Table 3
Water System Capital Amortization

Account	Plant Balance	Accumulated Depreciation	Undepreciated Plant Balance	Amortization Expense
309	\$2,888	\$89	\$2,799	\$400
334	53,480	30,736	22,744	3,249
Total	<u>\$56,368</u>	<u>\$30,825</u>	<u>\$25,543</u>	<u>\$3,649</u>

Source: Commission staff calculations.

For the foregoing reasons, we approve capital recovery of \$25,543 over a seven-year amortization period, and approve a corresponding annual amortization expense of \$3,649.

D. Accumulated Amortization of Capital Recovery

As a result of the capped retirement, Commission staff increased the amount for accumulated amortization of capital recovery by \$1,825 to reflect an averaging adjustment. Therefore, we approve an accumulated amortization balance of \$1,825.

E. Contributions-in-Aid-of-Construction

The Utility did not record a CIAC balance. Commission staff reconciled the CIAC balance using the amount approved in Commission Order No. PSC-2014-0018-PAA-WS.¹⁶ Therefore, we approve a CIAC balance of \$6,790.

F. Accumulated Amortization of CIAC

The Utility did not record an AA of CIAC balance. Commission staff calculated the AA of CIAC balance using the amount approved in Commission Order No. PSC-2014-0018-PAA-WS.¹⁷ Therefore, we approve an AA of CIAC balance of \$2,052.

G. Land and Land Rights

The Utility did not record a land and land rights balance. There were no land and land rights balances in the Order granting the Utility certificates for the water and wastewater systems.¹⁸ The Utility operates on leased land with an annual rent of \$1. The Utility stated that there have been no changes made to the lease terms since the above-referenced order and no new land leases have been entered into since. Commission staff made no adjustments to this amount. Therefore, we approve a land and land rights balance of \$0.

¹⁶ Order No. PSC-2014-0018-PAA-WS, issued January 7, 2014, in Docket No. 20130180-WS, *In re: Application for original certificates to provide water and wastewater service in Lake County by Sunlake Estates Utilities, L.L.C.*

¹⁷ *Id.*

¹⁸ *Id.*

H. Used and Useful

As discussed in Section III, the Utility's system is considered 100 percent U&U. Therefore, no U&U adjustment is necessary.

I. Accumulated Depreciation

The Utility recorded accumulated depreciation of \$329,643. Audit staff increased this amount by \$30,816 to reflect corrections to UPIS and the application of the correct depreciation rates per Rule 25-30.140, F.A.C. Staff increased this amount by \$69,165 to reflect an averaging adjustment, but also decreased this amount by \$19,545 to reflect pro forma additions and retirements.

Additionally, staff decreased this amount by \$170,155 to reflect the appropriate retirements of assets, to correct over-depreciation associated with Account 364 – Flow Measuring Devices, and to reflect the updated depreciation expense associated with updated plant retirements. Staff's adjustments to accumulated depreciation result in a net decrease of \$89,719. Therefore, we approve accumulated depreciation balance of \$239,924.

J. Working Capital Allowance

Working capital is defined as the short-term investor-supplied funds that are necessary to meet operating expenses. Consistent with Rule 25-30.433(3), F.A.C., Commission staff used the one-eighth O&M expense (less rate case expense) formula for calculating the working capital allowance.¹⁹ As such, Commission staff removed the rate case expense of \$3,001. This resulted in an adjusted O&M expense balance of \$110,340. Applying this formula, we approve a working capital allowance of \$13,792.

K. Rate Base Summary

Based on the foregoing, we approve an appropriate average test year rate base of \$677,077. Rate base is shown on Schedule No. 1-A. The related adjustments are shown on Schedule No. 1-B.

V. Rate of Return

The Utility's capital structure consists solely of common equity. The Utility's capital structure has been reconciled to our approved rate base. The ROE is 7.83 percent based on the Commission-approved leverage formula currently in effect²⁰ and our imposed 75 basis point

¹⁹ Order No. PSC-2025-0359-PAA-WU, issued September 24, 2025, in Docket No. 20240168-WU, *In re: Application for staff-assisted rate case in Highlands County, by Country Walk Utilities, Inc.*

²⁰ Order No. PSC-2026-0223-PAA-WS, issued June 22, 2026, in Docket No. 20260006-WS, *In re: Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.*

reduction to ROE from the Utility's unsatisfactory quality of service, as discussed in Section I. Therefore, we approve an ROE of 7.83 percent with a range of 6.83 percent to 8.83 percent, and an overall rate of return of 7.83 percent. The ROE and overall rate of return are shown on Schedule No. 2.

VI. Test-Year Revenues

The Utility recorded total test year operating revenues of \$108,001 for water. The water revenues consisted of \$108,001 in service revenues and no miscellaneous revenues. Commission staff's review of the audit indicated that the Utility's billing register contained several inaccuracies for the water system during the test year. The Utility billed an incorrect base facility charge (BFC) of \$11.22 rather than the Commission-approved BFC of \$11.44 for the 5/8-inch x 3/4-inch meter size, which resulted in an undercharge of \$0.22 per month. During the test year, some residential usage data was missing and the general service customers were not billed.

During the test year, residential service customers' bills classified by the Utility as landowners were not reflected in the billing data. In addition, some of the residential billing data was incomplete due to customer move ins and move outs. In response to Commission audit staff's request, the Utility provided revised billing data to reflect the landowners that were not billed during the test year, which reflected 573,929 gallons. Commission staff utilized the customers' average monthly usage for the year to supplement the incomplete billing data. Commission staff's average of the missing residential usage resulted in a total of 436,842 gallons. These additional residential gallons total 1,010,771 (573,929 + 436,842). These adjustments resulted in total residential usage of 32,391,440.

For general service, Commission staff discovered that the Utility's certificate case included several general service customers that were not reflected in the billing register.²¹ During the preliminary phase of the case, the Utility provided billing determinants and meter sizes for only seven general service customers. Later, a review of the Utility's site map indicated more general service customers than reported in the staff report. Staff noticed that the general service customers shown on the site map were also the same customers identified in the Utility's original 2013 certificate case. Therefore, staff contacted the Utility requesting additional billing determinants and the appropriate meter sizes for the unaccounted-for general service customers. In response to staff's inquiry, the Utility provided 2024 test year usage data reflecting only seven general service customers, which staff believed was insufficient data.

On March 17, 2026, staff contacted the Utility by email requesting information regarding 12 potential general service customers. On March 23, 2026, the Utility responded by providing meter sizes for the same seven general service customers, which did not include usage data. On May 1, 2026, staff sent its fifth data request requesting the most recent 12-month usage for the seven general service customers as well as other general service customers shown on the Utility's site map. In response to staff's fifth data request, the Utility provided 2025 data

²¹ Order No. PSC-2014-0018-PAA-WS, issued January 7, 2014, in Docket No. 20130180-WS, In re: *Application for original certificates to provide water and wastewater service in Lake County by Sunlake Estates Utilities, L.L.C.*

indicating higher usage totaling 3,547,500 gallons for the seven general service customers and an irrigation customer.

However, based on the site map, there were five customers that were still unaccounted for, which consisted of four irrigation customers and a general service customer. Staff ultimately elected to use the 2013 data from the certificate case to determine the usage data and meter sizes for these customers. Staff calculated an average of the customer's 2013 usage data and multiplied the average by twelve months, which resulted in a total of 823,218 gallons for the five customers. The golf course owns its well and is not serviced by the Utility.²² Based on the above, there is a total of eight general service customers and five irrigation customers, which reflects usage of 4,370,718 (3,547,500 + 823,218) gallons.

Finally, the Utility was approved for a price index rate adjustment outside of the test year effective June 13, 2025. Therefore, Commission staff annualized test year operating revenues by applying the adjusted number of billing determinants to the rates effective June 13, 2025. As a result, Commission staff determined test year service revenues should be \$134,638 for water. This results in an increase to service revenues of \$26,637 (\$134,638 - \$108,001) for water.

Based on the above, we approve test year operating revenues of \$134,638 for Sunlake Estates' water system.

VII. Operating Expenses

The Utility recorded operating expenses of \$183,940. The test year expenses have been reviewed by our staff, including invoices and other supporting documentation. Commission staff has made several adjustments to the Utility's operating expenses as described below.

A. Operation and Maintenance Expenses

1. Salaries and Wages – Employees (601)

The Utility recorded a salaries and wages expense of \$9,643, which included payroll taxes. Staff decreased this amount by \$655 to reclassify payroll taxes to Taxes Other Than Income (TOTI) and to reflect an audit adjustment. Therefore, we approve a salaries and wages expense of \$8,988.

2. Purchased Power (615)

The Utility recorded purchased power expense of \$9,239. Commission staff increased this amount by \$545 to reflect an audit adjustment based on invoices and the appropriate allocation for the test year provided by the Utility. As discussed in Section III, EUW is 11.78 percent. Commission staff decreased purchased power by \$1,088 to reflect EUW. Commission

²² Document No. 03680-2026, filed June 23, 2026.

staff's net adjustment to purchased power results in a decrease of \$543. Therefore, we approve a purchased power expense of \$8,696.

3. Fuel for Power Production (616)

The Utility did not record fuel for power production expense. Commission staff increased this amount by \$2,206 to reflect an audit adjustment as well as the reclassification of generator fuel expense in the amount of \$1,103 from Account 650 – Transportation Expense. Therefore, we approve a fuel for power production expense of \$2,206.

4. Contractual Services – Billing (630)

The Utility recorded contractual services – billing expense of \$4,028. Commission staff made no adjustments to this amount. Therefore, we approve a contractual services – billing expense of \$4,028.

5. Contractual Services – Professional (631)

The Utility recorded contractual services – professional expense of \$42,373. Commission audit staff decreased this amount by \$6,207 to reclassify legal expenses to Account 633 – Contractual Services - Legal. Commission staff increased this amount by \$1,170 to reflect an increase in contracted operator costs. Commission staff further increased this amount by \$1,818 to reclassify and properly allocate Environmental Protection Agency (EPA) expenses that had been inappropriately recorded in Account 633 – Contractual Services – Legal, and not allocated between the water and wastewater systems.

As discussed in Section III, EUW is 11.78 percent. During the test year, Sunlake contracted with General Utilities to provide water treatment services, including the supply of treatment chemicals. Commission staff reviewed supporting documentation and determined that chemical expense was \$5,912, resulting in an EUW adjustment of \$696. Therefore, Commission staff decreased contractual services – professional expense by \$696.

Commission staff's net adjustment to contractual services – professional expense results in a decrease of \$3,915. Therefore, we approve a contractual services – professional expense of \$38,458.

6. Contractual Services – Accounting (632)

The Utility did not record contractual services – accounting expense. The Utility requested recovery of a pro forma accounting consulting expense to ensure compliance with the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA). This pro forma expense is a non-recurring cost, associated with the water and wastewater systems, with an invoice amount of \$5,850. Pursuant to Rule 25-30.433(9), F.A.C., staff allocated half of this expense to water and amortized it over five years, resulting in an

increase to the test year expense of \$585. Therefore, we approve a contractual services – accounting expense of \$585.

7. Contractual Services – Legal (633)

The Utility did not record contractual services – legal expense. Commission audit staff increased this amount by \$12,247 to reclassify legal expenses that were not properly recorded. Staff decreased this amount by \$3,637 to reclassify EPA expenses to Account 631 – Contractual Services – Professional. Additionally, Commission staff decreased this amount by \$6,092 to reflect the removal of legal expenses related to the Utility’s 2023 SARC. Commission staff’s net adjustment to contractual services – legal expense results in an increase of \$2,518. Therefore, we approve a contractual services – legal expense of \$2,518.

8. Contractual Services – Other (636)

The Utility recorded contractual services – other expense of \$76,288. Commission audit staff decreased this amount by \$75,378 to capitalize expenses that had been recorded in this account. In response to the Audit Report, the Utility filed a letter indicating that the work performed that was capitalized by Commission audit staff “are examples of maintenance and routine repairs, and part of the Utility’s ongoing cost of service, the Utility offers that these costs were properly categorized as operating expenses.”²³

Commission staff agrees these costs should be expensed. However, Commission staff does not believe the test year is representative of a typical year. The Utility further noted that “[t]he 2024 cost is approximately three to five times as much as cost incurred in other years.”²⁴ Therefore, Commission staff determined a baseline contractual services – other expense using a five-year average based on the Utility’s Annual Reports from 2019 through 2023, which resulted in an increase of \$36,094. Additionally, Commission staff increased this account by \$7,857 to reflect the difference between the five-year average and the Utility’s appropriate test year balance for this account, amortized over five years, to spread the impact of unusually high costs incurred during the test year.

Commission staff’s net adjustment to contractual services – other expense results in a decrease of \$31,427. Therefore, we approve a contractual services – other expense of \$44,861.

9. Transportation Expense (650)

The Utility recorded transportation expense of \$1,103. Commission audit staff decreased this amount by \$1,103 to reclassify generator fuel expense to Account 616 – Fuel for Power Production. Therefore, we do not approve any transportation expense.

²³ Document No. 00929-2026, filed February 4, 2026.

²⁴ *Id.*

10. Rate Case Expense (665)

The Utility did not record any rate case expense for this docket. The Utility is required by Rule 25-22.0407, F.A.C., to mail notices of the rate case overview, final rates, and four-year rate reduction. Staff calculated noticing costs to be \$1,630.

Commission staff calculated the distance from the Utility office in Grand Island, Florida, to Tallahassee as 222 miles. Based on the 2026 Internal Revenue Service (IRS) business mileage rate of \$0.725, staff calculated round trip travel and lodging expense to the Commission Conference of \$522. The Utility also paid a filing fee of \$1,000.

Under Section 367.0814(3), F.S., the Commission may grant rate case expense for attorney fees or fees of other outside consultants after the initial staff report. On June 23, 2026, the Utility provided documentation to support \$9,594 in additional rate case expenses, including legal expenses and consulting fees incurred to date and estimated through the end of the PAA process.²⁵ Commission staff reviewed the supporting documentation and found that the requested attorney hourly rate of \$695 is approximately 24 percent higher than the \$560 hourly rate recently approved by the Commission for Jones Walker's associated legal fees in the GCP Plantation, Gulfstream, and Water Oak SARC proceedings involving Sun Communities.²⁶

Although Jones Walker stated that their rates are based on prevailing rates for similar services,²⁷ Commission staff is not aware of the Commission approving a \$695 hourly rate for attorneys in any SARC proceeding. The average attorney hourly rate approved in two recent SARC proceedings was \$465.²⁸ However, Commission staff believes the most appropriate comparison is the \$560 hourly rate recently approved for Jones Walker in the GCP Plantation, Gulfstream, and Water Oak SARC proceedings involving Sun Communities. Therefore, we shall limit the recoverable attorney hourly rate for the Sunlake SARC to \$560 as to maintain consistency with our previously approved rates for proceedings involving Sun Communities. This result in an adjustment of \$743.

Commission staff increased total rate case expense by \$12,746, consisting of noticing costs, consulting fees, travel and lodging expenses, and filing fee. Commission Staff decreased this amount by \$743 to reflect the attorney hourly rate adjustment. This resulted in an adjusted total rate case expense of \$12,003, which amortized over four years is \$3,001. Therefore, we

²⁵ Document No. 03697-2026, filed June 23, 2026.

²⁶ See Order No. PSC-2026-0115-PAA-WS, issued April 27, 2026, in Docket No. 20250094-WS, *In re: Application for staff-assisted rate case in Polk County, by GCP Plantation Landings, LLC.*; Order No. PSC-2026-0114-PAA-SU, issued April 27, 2026, in Docket No. 20250084-SU, *In re: Application for staff-assisted rate case in Orange County, by Gulfstream Utility LLC.*; Order No. PSC-2026-0232-PAA-WU, issued June 22, 2026, in Docket No. 20250088-WU, *In re: Application for staff-assisted rate case in Lake County by Sun Communities Finance, LLC d/b/a Water Oak Utility.*

²⁷ Document No. 03821-2026, filed June 29, 2026.

²⁸ See Order No. PSC-2026-0114-PAA-SU, issued April 27, 2026, in Docket No. 20250084-SU, *In re: Application for staff-assisted rate case in Orange County, by Gulfstream Utility LLC.*; Order No. PSC-2026-0054-PAA-WS, issued February 25, 2026, in Docket No. 20250023-WS, *In re: Application for staff-assisted rate case in Polk County, by NC Real Estate Projects, LLC d/b/a Grenelefe Utility.*

approve a total recoverable rate case expense of \$12,003, amortized over four years, resulting in annual rate case expense of \$3,001.

11. Bad Debt (670)

The Utility did not record any bad debt expense. In its three most recent Annual Reports (2023, 2024, and 2025), the Utility reported bad debt expenses of \$0 in all three years. In response to Commission staff's second data request, the Utility confirmed that this reporting accurately reflects its accounting records.²⁹ The Utility has not recorded bad debt expense in the test year or in recent historical periods, thus, we approve a bad debt expense of \$0.

B. Operation and Maintenance Expense Summary

The Utility recorded test year O&M expense of \$142,674. Based on the above adjustments, we approve O&M expense be decreased by \$29,334. This results in a total O&M expense of \$113,340. Our approved adjustments to O&M are shown on Schedule No. 3-C.

C. Depreciation Expense

The Utility recorded depreciation expense of \$36,406. Based on the depreciation rates prescribed in Rule 25-30.140, F.A.C., Commission audit staff decreased this amount by \$4,581. Commission staff increased this amount by \$261 to reflect pro forma additions and retirements. In addition, Commission staff increased this amount by \$673 to reflect the correct depreciation rates prescribed by the above-mentioned Rule and to reflect changes to UPIS.

Commission staff's net adjustments to depreciation expense result in a decrease of \$3,647. Therefore, we approve a depreciation expense of \$32,759.

D. Capital Recovery Amortization Expense

The Utility did not record a capital recovery amortization expense. As discussed in Section IV, we approved a capital recovery schedule of \$25,543 over a seven-year amortization period. The corresponding annual amortization expense is \$3,649. Therefore, we approve a capital recovery amortization expense of \$3,649.

E. CIAC Amortization Expense

The Utility did not record a CIAC amortization expense. Commission staff calculated the CIAC amortization expense using the amount approved in Commission Order No. PSC-2014-0018-PAA-WS.³⁰ There have been no changes to the CIAC amortization expense since the last Commission Order. Therefore, we approve a CIAC amortization expense of \$179.

²⁹ Document No. 01508-2026, filed March 12, 2026.

³⁰ Order No. PSC-2014-0018-PAA-WS, issued January 7, 2014, in Docket No. 20130180-WS, In re: *Application for original certificates to provide water and wastewater service in Lake County by Sunlake Estates Utilities, L.L.C.*

F. Taxes Other Than Income (TOTI)

The Utility recorded TOTI of \$4,860. Commission audit staff increased this amount by \$373 to reflect an increase in Regulatory Assessment Fees (RAFs) based on an audit revenue adjustment. Commission staff increased payroll taxes by \$654 to reflect the reclassification of payroll taxes that had been recorded in Account 601 – Salaries and Wages.

Based on revenues discussed in Section VI, TOTI shall be increased by \$825 to reflect a RAF rate of 4.5 percent applied to the adjustment in revenues.

As discussed in in Section IX below, we approve revenues to be increased by \$78,142 to reflect the increased revenue required to cover expenses and allow an opportunity to earn the approved rate of return. As a result, TOTI shall be increased by \$3,516 to reflect a RAF rate of 4.5 percent applied to the change in revenues. Our approved adjustments result in a total increase of \$5,369. Therefore, we approve a TOTI of \$10,229.

G. Conclusion and Total Operating Expense Summary

The Utility recorded operating expenses of \$183,940. The application of our approved adjustments to the Utility's operating expense results in a total operating expense of \$159,799, a decrease of \$24,141. Operating expenses are shown on Schedule No. 3-A, and the related adjustments are shown on Schedule No. 3-B.

VIII. Operating Ratio Methodology

Rule 25-30.4575(2), F.A.C., indicates that in rate cases processed under Rule 25-30.455, F.A.C., we will use the operating ratio methodology to establish the Utility's revenue requirement when its rate base is not greater than 125 percent of O&M expenses, less regulatory commission expense, and the use of the operating ratio methodology does not change the Utility's qualification for a SARC. With respect to Sunlake, we approved a rate base of \$677,077. After removal of rate case expense, staff has calculated an adjusted O&M expense of \$110,340. Based on our approved amounts, the Utility's water rate base is 613.63 percent of its adjusted O&M expense. Therefore, the Utility does not qualify for application of the operating ratio methodology.

IX. Revenue Requirement

Sunlake Estates Utilities, L.L.C. shall be allowed an annual increase of \$78,142 (58.04 percent). This will allow the Utility the opportunity to recover its expenses and earn an 7.83 percent rate of return. The calculations of revenue requirement are shown on Table 4.³¹

³¹ The calculations presented in Table 9-1 may not compute due to rounding.

Table 4
Revenue Requirement

Water Rate Base	\$677,077
Rate of Return	7.83%
Return on Rate Base	<u>\$52,981</u>
Water O&M Expense	113,340
Depreciation Expense	32,759
Amortization	3,470
Taxes Other Than Income	<u>10,229</u>
Revenue Requirement	<u>\$212,780</u>
Less Test Year Revenues	\$134,638
Annual Increase	\$78,142
Percent Increase	58.04%

Source: Commission staff calculations.

X. Rate Structure

Sunlake Estates provides water services to approximately 454 residential customers, 8 general service customers, and 5 irrigation customers. A review of the billing data indicated that 5 percent of the residential customer bills during the test year had zero gallons, which reflects a non-seasonal customer base. The average residential water demand was 5,892 gallons per month. The Utility's current rate structure for the water system consist of a BFC and a two-tier inclining block rate. The rate blocks are: 1) 0-5,000 gallons and 2) all usage in excess of 5,000 gallons. The general service rate structure consists of a monthly BFC and uniform gallonage charge.

Commission staff performed an analysis of the Utility's billing in order to evaluate the appropriate rate structure for the residential water customers. The goal of the evaluation was to select the rate design parameters that: (1) produce the recommended revenue requirement; (2) equitably distribute cost recovery among the Utility's customers; (3) establish the appropriate discretionary usage threshold for restricting repression; and (4) implement, where appropriate, water conserving rate structures consistent with Commission practice.

Due to the Utility's non-seasonal customer base, Commission staff allocated 40 percent of the revenues to be generated from the BFC, which will provide sufficient revenues to design gallonage charges that will send the appropriate pricing signals to customers using above the non-discretionary level. The average number of people per household is 2.48;³² therefore, based on the number of people per household, 50 gallons per day, per person, and the number of days per month, the discretionary usage threshold should be 4,000 gallons per month. Commission staff's review of the billing data indicates that discretionary usage above 4,000 gallons represents approximately 41 percent of the bills, which accounts for approximately 55 percent of water demand. This indicates that there are some customers with high discretionary usage above 4,000 gallons.

³² [U.S. Census Bureau QuickFacts: Lake County, Florida.](#)

We find that a two-tier inclining block rate structure, which includes separate gallonage charges for non-discretionary and discretionary usage for water rates, is reasonable. Due to the high usage above 4,000 gallons per month, we find it appropriate in this case to use rate factors of 1.00 in the first tier and 1.50 in the second tier because it would target those customers with higher levels of consumption. General service customers shall continue to be billed a BFC and uniform gallonage charge.

Based on our approved revenue increase of 58.04 percent, the residential consumption can be expected to decline by 9,738,000 gallons resulting in an anticipated average residential demand of 4,121 gallons per month. Thus, we find that a 30.1 percent reduction in test year residential gallons for ratesetting purposes is appropriate. As a result, the corresponding reduction for purchased power is \$2,303 and \$109 for RAFs to reflect the anticipated repression, which results in a post repression revenue requirement of \$215,685.

Based on the above, our approved rate structure and monthly water rates are shown on Schedule No. 4. The Utility shall file revised tariff sheets and a proposed customer notice to reflect our approved rates. The approved rates shall be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates shall not be implemented until Commission staff has approved the proposed customer notice and the notice has been received by the customers. The Utility shall provide proof of the date notice was given by affidavit within 10 days of the date of the notice.

XI. Miscellaneous Service Charges

The Utility did not request to revise its existing miscellaneous service charges. Section 367.091, F.S., authorizes us to establish, increase, or change rate or charge other than monthly rates or service availability charges. Rule 25-30.460, F.A.C., does not allow for initial connection and normal reconnection charges. The Utility's initial connection and normal reconnection charges are obsolete and inconsistent with the rule. The definitions for initial connection charges and normal reconnection charges were subsumed in the definition of the premises visit charge. Based on the above, we find that the initial connection and normal reconnection charges shall be removed, and the definition for the premises visit charge shall be updated to comply with Rule 25-30.460, F.A.C. The Utility's existing late payment charge and non-sufficient funds charge shall remain unchanged. Shown below in Table 5 are the existing charges and in Table 6 are our approved charges.

Table 5
Existing Utility Charges

Charge Type	<u>Normal Hours</u>	<u>After Hours</u>
Initial Connection Charge	\$21.00	\$42.00
Normal Reconnection Charge	\$21.00	\$42.00
Violation Reconnection Charge	\$21.00	\$42.00
Premises Visit Charge	\$21.00	\$42.00

Table 6
Commission-Approved Charges

Charge Type	<u>Normal Hours</u>	<u>After Hours</u>
Violation Reconnection Charge	\$21.00	\$42.00
Premises Visit Charge	\$21.00	\$42.00

Based on the above, we find that the appropriate revisions to miscellaneous service charges are to remove the initial connection and normal reconnection charges and update the definition of the premises visit charge to be consistent with Rule 25-30.460, F.A.C. The Utility shall be required to file a proposed customer notice to reflect the removal of those charges. The changes shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, F.A.C. In addition, the tariff sheets shall be approved upon Commission staff's verification that the tariffs are consistent with our decision and that the proposed customer notice is adequate.

XII. Four-Year Rate Reduction

Section 367.081(8), F.S., requires that the rates be reduced by the amount of the rate case expense previously included in rates immediately following the expiration of the recovery period. The reduction will reflect the removal of revenue associated with the amortization of rate case expense and the gross-up for RAFs. The total reduction is \$3,142. We find that the rates shall be reduced as shown on Schedule No. 4, to remove rate case expense grossed-up for RAFs and amortized over a four-year period. Pursuant to Section 367.081(8), F.S., the decrease in rates shall become effective immediately following the expiration of the rate case expense recovery period. Sunlake shall be required to file revised tariffs and a proposed customer notice setting forth the lower rates and rationale no later than one month prior to the effective date of the new rates. If the Utility files revised tariffs reflecting this reduction in conjunction with a price index, and/or pass-through rate adjustment, separate data shall be filed for the price index and/or pass-through increase and the reduction in the rates due to the amortized rate case expense.

XIII. Temporary Rates

This Order proposes an increase in rates. A timely protest might delay a rate increase resulting in an unrecoverable loss of revenue to the Utility. Therefore, pursuant to Section 367.0814(7), F.S., in the event of a protest filed by a party other than the Utility, our proposed rates herein shall go into effect on a temporary basis. Sunlake shall file revised tariff sheets and a proposed customer notice reflecting our approved rates. These temporary rates shall be effective for services rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates shall not be implemented until Commission staff has approved the proposed notice, and it has been received by the customers. The additional revenue produced by the temporary rates and collected by the Utility shall be subject to the refund provisions discussed below.

Sunlake shall be authorized to initiate the temporary rates upon Commission staff's approval of an appropriate security for the potential refund and cost of the proposed customer notice. Security shall be in the form of either a bond or letter of credit in the amount of \$53,362. Alternatively, the Utility may establish an escrow agreement with an independent financial institution.

If the Utility chooses a bond for securing the potential refund, the bond shall contain wording to the effect that it will be terminated only under the following conditions:

1. The Commission approves the rate increase; or,
2. If the Commission denies the increase, the Utility shall refund the amount collected that is attributable to the increase.

If the Utility chooses a letter of credit for securing the potential refund, the letter of credit shall contain the following conditions:

1. The letter of credit is irrevocable for the period it is in effect.
2. The letter of credit will be in effect until a final Commission order is rendered, either approving or denying the rate increase.

If security is provided through an escrow agreement, the following conditions shall be part of the agreement:

1. The Commission Clerk, or his or her designee, must be a signatory to the escrow agreement.
2. No monies in the escrow account may be withdrawn by the Utility without the prior written authorization of the Commission Clerk, or his or her designee.
3. The escrow account shall be an interest-bearing account.
4. If a refund to the customers is required, all interest earned by the escrow account shall be distributed to the customers.
5. If a refund to the customers is not required, the interest earned by the escrow account shall revert to the Utility.
6. All information on the escrow account shall be available from the holder of the escrow account to a Commission representative at all times.
7. The amount of revenue subject to refund shall be deposited in the escrow account within seven days of receipt.
8. This escrow account is established by the direction of the Florida Public Service Commission for the purpose(s) set forth in its order requiring such account. Pursuant to *Cosentino v. Elson*, 263 So. 2d 253 (Fla. 3d DCA 1972), escrow accounts are not subject to garnishments.
9. The account must specify by whom and on whose behalf such monies were paid.

In no instance shall the maintenance and administrative costs associated with the refund be borne by the customers. These costs are the responsibility of, and shall be borne by, the Utility. Irrespective of the form of security chosen by the Utility, an account of all monies

received as a result of the rate increase shall be maintained by the Utility. If a refund is ultimately required, it shall be paid with interest calculated pursuant to Rule 25-30.360(4), F.A.C.

The Utility shall maintain a record of the amount of the bond, and the amount of revenues that are subject to refund. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility shall file reports with the Commission Clerk's office no later than the 20th of every month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed shall also indicate the status of the security being used to guarantee repayment of any potential refund.

XIV. Adjustment to Books

Sunlake shall be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision. The Utility shall submit a letter within 90 days of our final order in this docket, confirming that the adjustments to all applicable NARUC USOA primary accounts have been made to the Utility's books and records. In the event the Utility needs additional time to complete the adjustments, a notice providing good cause shall be filed not less than seven days prior to the deadline requesting an extension. Upon providing a notice of good cause, Commission staff shall be given administrative authority to grant an extension of up to 60 days.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Sunlake Estates Utilities, L.L.C.'s quality of service is unsatisfactory. Return on equity shall be reduced by 75 basis points. It is further

ORDERED that Sunlake Estates Utilities, L.L.C. shall submit to a management audit conducted by Commission staff. Any unsatisfactory report from Commission staff regarding compliance with the management audit may result in initiation of a show cause proceeding by this Commission. It is further

ORDERED that Sunlake Estates Utilities, L.L.C. shall arrange and hold at least one formal customer meeting in each calendar year of 2027 and 2028. At those times, Sunlake Estates Utilities, L.L.C. shall provide an overview of general system occurrences, an overview of the two agency investigations, and provide customers an opportunity to speak with utility representatives. Within one month of the conclusion of each such meeting, Sunlake Estates Utilities, L.L.C. shall file a report in this docket to summarize to us the topics discussed and any results of the meetings. It is further

ORDERED that the infrastructure and operating conditions of the Sunlake Estates Utilities, L.L.C. water system is in compliance with DEP regulations. It is further

ORDERED that the water treatment plant and distribution system of Sunlake Estates Utilities, L.L.C. shall both be considered 100 percent U&U. Additionally, an 11.78 percent adjustment for excessive unaccounted for water shall be made to operating expenses for chemicals and purchased power. It is further

ORDERED that the appropriate average test year rate base for Sunlake Estates Utilities, L.L.C. is \$677,077. It is further

ORDERED that the appropriate return on equity for Sunlake Estates Utilities, L.L.C. is 7.83 percent with a range of 6.83 percent to 8.83 percent. The appropriate overall rate of return is 7.83 percent. It is further

ORDERED that the appropriate test year operating revenues for the water system of Sunlake Estates Utilities, L.L.C. are \$134,638. It is further

ORDERED that the appropriate amount of operating expense for Sunlake Estates Utilities, L.L.C. is \$159,799. It is further

ORDERED that Sunlake Estates Utilities, L.L.C. does not meet the criteria for application of the operating ratio methodology for calculating the revenue requirement. It is further

ORDERED that the appropriate revenue requirement for Sunlake Estates Utilities, L.L.C. is \$212,780, resulting in an annual increase of \$78,142. It is further

ORDERED that the rate structure and monthly water rates shown on Schedule No. 4 are approved. Sunlake Estates Utilities, L.L.C. shall file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates shall be effective for service rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates shall not be implemented until Commission staff has approved the proposed customer notice and the notice has been received by the customers. Sunlake Estates Utilities, L.L.C. shall provide proof of the date notice was given by affidavit within 10 days of the date of the notice. It is further

ORDERED that the rates shall be reduced as shown on Schedule No. 4, to remove rate case expense grossed-up for regulatory assessment fees and amortized over a four-year period. Pursuant to Section 367.081(8), F.S., the decrease in rates shall become effective immediately following the expiration of the rate case expense recovery period. Sunlake Estates Utilities, L.L.C. shall file revised tariffs and a proposed customer notice setting forth the lower rates and rationale no later than one month prior to the effective date of the new rates. If Sunlake Estates Utilities, L.L.C. files revised tariffs reflecting this reduction in conjunction with a price index or pass-through rate adjustment, separate data shall be filed for the price index and/or pass-through increase and the reduction in the rates due to the amortized rate case expense. It is further

ORDERED that in the event of a protest filed by a party other than Sunlake Estates Utilities, L.L.C., the proposed rates shall be approved on a temporary basis, subject to refund with interest, pursuant to Section 367.0814(7), F.S. Sunlake Estates Utilities, L.L.C. shall file revised tariff sheets and a proposed customer notice reflecting the Commission-approved rates. The temporary rates shall be effective for service rendered on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates shall not be implemented until Commission staff has approved the proposed notice and the notice has been received by the customers. Further, prior to implementation of any temporary rates, Sunlake Estates Utilities, L.L.C. shall provide appropriate financial security as set forth herein. The approved temporary rates collected by Sunlake Estates Utilities, L.L.C. shall be subject to refund provisions. It is further

ORDERED that after the increased temporary rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., Sunlake Estates Utilities, L.L.C. shall file reports with the Commission's Office of Commission Clerk no later than the 20th of each month indicating both the current monthly and total amount of money subject to refund at the end of the preceding month. The report filed shall also indicate the status of the security being used to guarantee repayment of any potential refund. It is further

ORDERED that Sunlake Estates Utilities, L.L.C. notify this Commission, in writing, that it has adjusted its books in accordance with our decision. Sunlake Estates Utilities, L.L.C. shall submit a letter within 90 days of this Commission's final order in this docket, confirming that the adjustments to all applicable National Association of Regulatory Commissioners Uniform System of Accounts primary accounts were made to the books and records of Sunlake Estates Utilities, L.L.C. In the event that Sunlake Estates Utilities, L.L.C. needs additional time to complete the adjustments, a notice providing good cause and requesting an extension shall be filed not less than seven days prior to the deadline. Upon providing a notice of good cause, Commission staff shall have administrative authority to grant an extension of up to 60 days. It is further

ORDERED that if no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the Proposed Agency Action Order, a consummating order shall be issued. The docket shall remain open for Commission staff's verification that the revised tariff sheets and customer notice have been filed by Sunlake Estates Utilities, L.L.C. and approved by Commission staff, and that Sunlake Estates Utilities, L.L.C. submitted its letter confirming all adjustments to applicable National Association of Regulatory Utility Commissioners Uniform System of Accounts primary accounts were made. Once these actions are complete, this docket shall be closed administratively. It is further

ORDERED that all matters contained in the attachments and schedules appended hereto are incorporated by reference.

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By ORDER of the Florida Public Service Commission this 24th day of August, 2026.



ADAM TEITZMAN
Commission Clerk
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.

SF

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission (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.

As identified in the body of this order, our actions are preliminary in nature, except for (1) the reduction of rates after four years based upon the recovery of rate case expense, (2) the granting of temporary rates in the event of protest, and (3) the requirement for proof of adjustment of books and records. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on September 14, 2026. If such a petition is filed, 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. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Any party adversely affected by the Commission's procedural action in this matter may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Office of Commission Clerk and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

SUNLAKE ESTATES UTILITIES, L.L.C. TEST YEAR ENDED 12/31/2024 SCHEDULE OF WATER RATE BASE		SCHEDULE NO. 1-A DOCKET NO. 20250108-WS	
DESCRIPTION	BALANCE PER UTILITY	COMM. ADJUST.	BALANCE PER STAFF
1. UTILITY PLANT IN SERVICE	\$942,813	(\$58,584)	\$884,229
2. LAND & LAND RIGHTS	0	0	0
3. ACCUMULATED DEPRECIATION	(329,643)	89,719	(239,924)
4. CAPITAL RECOVERY	0	25,543	25,543
5. ACCUMULATED AMORTIZATION OF CAPITAL RECOVERY	0	(1,825)	(1,825)
6. CIAC	0	(6,790)	(6,790)
7. ACCUMULATED AMORTIZATION OF CIAC	0	2,052	2,052
8. WORKING CAPITAL ALLOWANCE	<u>0</u>	<u>13,792</u>	<u>13,792</u>
WATER RATE BASE	<u>\$613,170</u>	<u>\$63,907</u>	<u>\$677,077</u>

SUNLAKE ESTATES UTILITIES, L.L.C.		SCHEDULE NO. 1-B
TEST YEAR ENDED 12/31/2024		DOCKET NO. 20250108-WS
ADJUSTMENTS TO RATE BASE		
		<u>WATER</u>
<u>UTILITY PLANT IN SERVICE</u>		
1. To reflect auditing adjustments.		\$97,415
2. To reflect an averaging adjustment.		64,868
3. Staff adjustments to reflect retirements and reclassifications.		(227,469)
4. To reflect pro forma retirements.		(19,806)
5. To reflect pro forma additions.		<u>26,408</u>
Total		<u>(\$58,584)</u>
<u>ACCUMULATED DEPRECIATION</u>		
1. To reflect auditing adjustments.		(\$30,816)
2. To reflect an averaging adjustment.		(69,165)
3. To reflect pro forma adjustments.		19,545
4. Staff adjustments to reflect retirements.		<u>170,155</u>
Total		<u>\$89,719</u>
<u>CAPITAL RECOVERY</u>		
To reflect staff retirements.		<u>\$25,543</u>
<u>ACCUMULATED AMORTIZATION OF CAPITAL RECOVERY</u>		
To reflect an averaging adjustment.		<u>(\$1,825)</u>
<u>CIAC</u>		
To reflect a staff adjustment.		<u>(\$6,790)</u>
<u>ACCUMULATED AMORTIZATION OF CIAC</u>		
To reflect a staff adjustment.		<u>\$2,052</u>
<u>WORKING CAPITAL ALLOWANCE</u>		
To reflect 1/8 of test year O&M expenses.		<u>\$13,792</u>

SUNLAKE ESTATES UTILITIES, L.L.C.						SCHEDULE NO. 2	
TEST YEAR ENDED 12/31/2024						DOCKET NO. 20250108-WS	
SCHEDULE OF CAPITAL STRUCTURE							
CAPITAL COMPONENT	PER UTILITY	BALANCE AFTER ADJUSTMENTS	ADJUST-MENTS	BALANCE PER STAFF	PERCENT OF TOTAL	WEIGHTED COST	WEIGHTED COST
1. COMMON EQUITY	\$1,005,616	\$1,005,616	(\$328,539)	\$677,077	100.00%	7.83%	7.83%
TOTAL CAPITAL	<u>\$1,005,616</u>	<u>\$1,005,616</u>	<u>(\$328,539)</u>	<u>\$677,077</u>	<u>100.00%</u>		<u>7.83%</u>
RANGE OF REASONABLENESS						<u>LOW</u>	<u>HIGH</u>
RETURN ON EQUITY						6.83%	8.83%
OVERALL RATE OF RETURN						6.83%	8.83%

SUNLAKE ESTATES UTILITIES, L.L.C. TEST YEAR ENDED 12/31/2024 SCHEDULE OF WATER OPERATING INCOME				SCHEDULE NO. 3-A DOCKET NO. 20250108-WS	
	TEST YEAR PER UTILITY	COMM. ADJUST- MENTS	COMM. ADJUSTED TEST YEAR	ADJUST FOR INCREASE	REVENUE REQUIREMENT
1. TOTAL OPERATING REVENUES	\$108,001	\$26,637	\$134,638	\$78,142 58.04%	\$212,780
OPERATING EXPENSES:					
2. OPERATION & MAINTENANCE	\$142,674	(\$29,334)	\$113,340		\$113,340
3. DEPRECIATION (NET)	36,406	(3,647)	32,759		32,759
4. AMORTIZATION OF CAPITAL RECOVERY	\$0	3,649	3,649		3,649
5. AMORTIZATION OF CIAC	\$0	(179)	(179)		(179)
6. TAXES OTHER THAN INCOME	<u>4,860</u>	<u>1,853</u>	<u>6,713</u>	<u>3,516</u>	<u>10,229</u>
TOTAL OPERATING EXPENSES	<u>\$183,940</u>	<u>(\$27,658)</u>	<u>\$156,282</u>		<u>\$159,799</u>
7. OPERATING INCOME / (LOSS)	(\$75,939)		(\$21,644)		\$52,981
8. WATER RATE BASE	\$613,170	\$63,907	\$677,077		\$677,077
9. RATE OF RETURN					7.83%

SUNLAKE ESTATES UTILITIES, L.L.C.		SCHEDULE NO. 3-B
TEST YEAR ENDED 12/31/2024		DOCKET NO. 20250108-WS
ADJUSTMENTS TO OPERATING INCOME		PAGE 1 OF 2
		<u>WATER</u>
OPERATING REVENUES		
1. To reflect an auditing adjustment to Service Revenues.		\$8,296
2. To reflect the appropriate test year Service Revenues.		<u>18,341</u>
Total		<u>\$26,637</u>
OPERATION AND MAINTENANCE EXPENSE		
1. Salaries and Wages - Employees (601)		
a. To reflect an auditing adjustment.		(\$1)
b. To reflect the reclassification of payroll taxes.		<u>(654)</u>
Subtotal		<u>(\$655)</u>
2. Purchased Power (615)		
a. To reflect an auditing adjustment.		\$545
b. To reflect EUW adjustment.		<u>(1,088)</u>
Subtotal		<u>(\$543)</u>
3. Fuel for Power Production (616)		
To reflect an auditing adjustment.		<u>\$2,206</u>
4. Contractual Services - Professional (631)		
a. To reflect auditing adjustments.		(\$6,207)
b. To reflect increase in contracted operator costs.		1,170
c. To reflect the reclassification of EPA expenses.		1,818
d. To reflect EUW adjustment for Contractual Services - Chemicals expense.		<u>(696)</u>
Subtotal		<u>(\$3,915)</u>
5. Contractual Services - Accounting (632)		
To reflect accounting pro forma expense.		<u>\$585</u>
6. Contractual Services - Legal (633)		
a. To reflect auditing adjustments.		\$12,247
b. To reflect the reclassification of EPA expenses.		<u>(3,637)</u>
c. To remove 2023 Staff-Assisted Rate Case legal expenses.		<u>(6,092)</u>
Subtotal		<u>\$2,518</u>
7. Contractual Services - Other (636)		
a. To reflect auditing adjustments.		(\$75,378)
b. To reflect the 5-year average Contractual Services - Other expense.		36,094
c. To reflect recovery of the 5-year amortization of Contractual Services - Other expense.		<u>7,857</u>
Subtotal		<u>(\$31,427)</u>
8. Transportation Expense (650)		
To reflect auditing adjustments.		<u>(\$1,103)</u>
9. Rate Case Expense (665)		
To reflect 1/4 rate case expense.		<u>\$3,001</u>
TOTAL OPERATION AND MAINTENANCE ADJUSTMENTS		<u>(\$29,334)</u>

SUNLAKE ESTATES UTILITIES, L.L.C.		SCHEDULE NO. 3-B
TEST YEAR ENDED 12/31/2024		DOCKET NO. 20250108-WS
ADJUSTMENTS TO OPERATING INCOME		PAGE 2 OF 2
DEPRECIATION EXPENSE		
1. To reflect auditing adjustments.		(\$4,581)
2. To reflect non-used and useful adjustment.		0
3. To reflect pro forma additions and retirements.		261
4. To reflect correct depreciation rates and UPIS adjustments.		673
Total		<u>(\$3,647)</u>
CAPITAL RECOVERY EXPENSE (NET)		
To reflect capital recovery expense.		<u>\$3,649</u>
CIAC EXPENSE		
To reflect CIAC amortization expense.		<u>(\$179)</u>
TAXES OTHER THAN INCOME		
1. To reflect an auditing adjustment.		\$373
2. To reflect reclassification of payroll taxes.		654
3. To reflect appropriate test year RAFs.		825
4. To reflect appropriate revenue requirement RAFs.		<u>3,516</u>
Total		<u>\$5,369</u>
TOTAL OPERATING EXPENSE ADJUSTMENTS		<u>(\$24,141)</u>

SUNLAKE ESTATES UTILITIES, L.L.C.		SCHEDULE NO. 3-C		
TEST YEAR ENDED 12/31/2024		DOCKET NO. 20250108-WS		
ANALYSIS OF WATER O&M EXPENSE				
ACCT.	DESCRIPTION	TOTAL PER UTILITY	COMM. ADJUST- MENT	TOTAL PER COMM.
601	Salaries and Wages - Employees	\$9,643	(\$655)	\$8,988
615	Purchased Power	9,239	(543)	8,696
616	Fuel for Power Production	0	2,206	2,206
630	Contractual Services - Billing	4,028	0	4,028
631	Contractual Services - Professional	42,373	(3,915)	38,458
632	Contractual Services - Accounting	0	585	585
633	Contractual Services - Legal	0	2,518	2,518
636	Contractual Services - Other	76,288	(31,427)	44,861
650	Transportation Expense	1,103	(1,103)	0
665	Rate Case Expense	0	3,001	3,001
670	Bad Debt Expense	<u>0</u>	<u>0</u>	<u>0</u>
	Total O&M Expense	<u>\$142,674</u>	<u>(\$29,334)</u>	<u>\$113,340</u>
	Working Capital is 1/8 of O&M Less RCE			\$13,792

SUNLAKE ESTATES UTILITIES		SCHEDULE NO. 4	
TEST YEAR ENDED December 31, 2024		DOCKET NO. 20250108-WS	
MONTHLY WATER RATES			
	UTILITY CURRENT RATES	COMMISSION APPROVED RATES	4 YEAR RATE REDUCTION
<u>Residential and General Service</u>			
Base Facility Charge by Meter Size			
5/8"X 3/4"	\$11.74	\$13.27	\$0.20
3/4"	\$17.61	\$19.91	\$0.30
1"	\$29.35	\$33.18	\$0.50
1-1/2"	\$58.70	\$66.35	\$0.99
2"	\$93.92	\$106.16	\$1.58
3"	\$187.84	\$212.32	\$3.17
4"	\$293.50	\$331.75	\$4.95
6"	\$587.00	\$663.50	\$9.91
Charge per 1,000 gallons - Residential			
0 - 5,000 gallons	\$1.22	N/A	N/A
Over 5,000 gallons	\$2.06	N/A	N/A
Charge per 1,000 gallons - Residential			
0 - 4,000 gallons	N/A	\$3.90	\$0.06
Over 4,000 gallons	N/A	\$5.84	\$0.09
Charge per 1,000 gallons - General Service			
	\$1.72	\$4.60	\$0.07
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>			
2,000 Gallons	\$14.18	\$21.07	
6,000 Gallons	\$19.90	\$40.55	
10,000 Gallons	\$28.14	\$63.91	