

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

FILED 8/12/2019
DOCUMENT NO. 07416-2019
FPSC - COMMISSION CLERK

In the Matter of:

DOCKET NO. 20160101-WS

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.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 3

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER JULIE I. BROWN
COMMISSIONER DONALD J. POLMANN
COMMISSIONER GARY F. CLARK
COMMISSIONER ANDREW GILES FAY

DATE: Tuesday, August 6, 2019

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: DANA W. REEVES
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
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(850) 894-0828

1 P R O C E E D I N G S

2 CHAIRMAN GRAHAM: Okay. Item No. 3.

3 MR. SEWARDS: Good morning, Commissioners.

4 Item No. 3 addresses the remanded portion of the
5 First District Court of Appeal opinion regarding
6 the Commission's previous decision for Utilities,
7 Inc. of Florida. Staff's recommendation also
8 discusses the utility's motion to recover appellate
9 rate case expense. Utilities, Inc. of Florida is a
10 Class-A utility providing water and wastewater
11 services to 27 systems and ten counties and has
12 approximately 34,000 water and 32,000 wastewater
13 customers.

14 On September 25th, 2017, the Commission
15 approved in part the requested increase in water
16 and wastewater rates. On October 20th, 2017, the
17 Office of Public Council and Seminole County filed
18 notices of administrative appeal with the First
19 District Court of Appeal. The Commission's
20 decision was affirmed by the First DCA in the
21 appeal by Seminole County.

22 In the appeal by OPC, the court affirmed the
23 Commission's order except as to the portion of the
24 Commission's used-and-useful determination
25 involving prepaid connections. The Court remanded

1 the issue to the Commission to determine the extent
2 to which prepaid connections meet the requirement
3 of Section 367.081 of the Florida Statutes.

4 Staff is recommending the used-and-useful
5 percentages be decreased from 58.8 to 53.5 percent
6 for Lake Utility Services, Incorporated, and from
7 95.9 to 42.4 percent for Sandalhaven. As a result
8 of the change of the used-and-useful percentages,
9 staff is recommending a decrease to the annual
10 revenue requirement of approximately 3,500 for
11 water and 93,000 for wastewater. Due to the de
12 minimus change in the revenue requirement for
13 water, staff is not recommending a change in rates.
14 However, staff is recommending rates be changed for
15 wastewater.

16 In addition, the final refund for water
17 estimated at approximately 6,800 should be booked
18 to CIAC. The final refund for wastewater estimated
19 that 187,000 should be made to wastewater
20 customers. Additionally, staff is recommending
21 authorization to record a regulatory asset for the
22 appellate rate case expenses of \$39,727 to be
23 recovered in the utility's next rate proceeding.

24 Staff is available for any questions.

25 CHAIRMAN GRAHAM: Thank you, staff. I realize

1 this has been a huge task from beginning to end and
2 hopefully this is the end.

3 MR. SEWARDS: Hopefully.

4 CHAIRMAN GRAHAM: Commissioners. Commissioner
5 Polmann.

6 COMMISSIONER POLMANN: Thank you Mr. Chairman.
7 I appreciate your comment and I also want to
8 recognize the effort of staff in dealing with the
9 amount of work here and the complexity of analysis.
10 There's quite a bit of material here to go through
11 and understand. So I thank you for that. In the
12 end, having gone through all this, I find it to
13 be -- the recommendation here to be fair and
14 reasonable and, Mr. Chairman, I would move this
15 item, all issues.

16 CHAIRMAN GRAHAM: It's been moved and
17 seconded, staff recommendation on all issues on
18 Item No. 3. Any further discussion?

19 (No comments made.)

20 CHAIRMAN GRAHAM: Seeing none, all in favor
21 say, aye.

22 (Chorus of ayes.)

23 CHAIRMAN GRAHAM: Any opposed?

24 (No comments made.)

25 CHAIRMAN GRAHAM: By your action, you've

1 approved the staff rec. Thank you very much.

2 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, DANA W. REEVES, Professional Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 12th day of August, 2019.



DANA W. REEVES
NOTARY PUBLIC
COMMISSION #FF968527
EXPIRES MARCH 22, 2020