BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| --- | --- |
| In re: Application for staff-assisted rate case in Manatee County by Sunny Shores Utilities, LLC. | DOCKET NO. 20200230-WUORDER NO. PSC-2021-0320-PAA-WUISSUED: August 23, 2021 |

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman

ART GRAHAM

ANDREW GILES FAY

MIKE LA ROSA

GABRIELLA PASSIDOMO

NOTICE OF PROPOSED AGENCY ACTION

ORDER APPROVING RATE INCREASE FOR SUNNY SHORES UTILITIES, LLC

AND ORDER ON RECOVERY OF RATE CASE EXPENSES, TEMPORARY RATES,

AND ACCOUNTING ADJUSTMENTS

BY THE COMMISSION:

 NOTICE is hereby given by the Florida Public Service Commission (Commission) that the actions discussed herein, 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, are preliminary in nature 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 below under the heading, “NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW.”

**Case Background**

 Sunny Shores Utilities, LLC (Sunny Shores or Utility) is a Class C utility serving 262 residential and two general service water customers in Manatee County. The owner utilizes Florida Utility Services 1, LLC (FUS1) for billing and customer service. According to Sunny Shores’ 2020 Annual Report, total gross revenues were $92,353, and total operating expenses were $107,069, resulting in a net operating loss of $14,716. Sunny Shores is a reseller and purchases bulk water service from Manatee County.

 In 1995, Manatee County declared the privately-owned water utility in Manatee County subject to the provisions of Chapter 367, Florida Statutes (F.S.).[[1]](#footnote-1) In 1996, Sunny Shores Water Co., Inc. was granted a grandfather certificate to operate a water system in existence since 1969.[[2]](#footnote-2) In 2016, the Utility was granted a transfer of majority organizational control.[[3]](#footnote-3)

 On July 27, 2020, certificate No. 578-W was transferred from Sunny Shores Water Co., Inc. to Sunny Shores Utilities, LLC.[[4]](#footnote-4) The Order also established the net book value for transfer purposes.

 On October 21, 2020, Sunny Shores filed an application for a staff-assisted rate case.[[5]](#footnote-5) We selected a test year ended June 30, 2020, for the instant case. Due to the COVID-19 pandemic, our staff conducted a telephonic customer meeting on May 20, 2021. No customers spoke at the meeting and no representatives from the Office of Public Counsel (OPC) participated in the call. The Utility owner did participate in the call.

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

**Review and Decision**

1. 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 we 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, outstanding citations, violations, and consent orders on file with the Department of Environmental Protection (DEP) and the county health department, and any DEP and county health department officials’ testimony concerning quality of service shall be considered. In addition, any customer testimony, comments, or complaints received by us are also reviewed.

1. *Quality of the Utility’s Product*

 Sunny Shores is a consecutive system and purchases bulk water from Manatee County for resale. Manatee County delivers treated water to a master meter which is then channeled into Sunny Shores’ distribution system. As a consecutive water system, the secondary standards of the Utility’s water are not regulated by DEP. However, in November 2019, Sunny Shores’ water was tested and found to be in compliance with DEP’s primary and secondary drinking water standards. The Utility also tested for disinfectant byproducts in November 2020, and at that time the Utility met all standards.

1. *The Utility’s Attempt to Address Customer Satisfaction*

 We reviewed the complaints filed in our Consumer Activity Tracking System (CATS), filed with the DEP, and received by the Utility from July 1, 2015, through June 31, 2020. We also performed a supplemental review of the complaints filed in CATS after the test year through June 30, 2021. Table 1 shows the number of complaints categorized by complaint type and source. It should be noted that Sunny Shores Water Co. was transferred to its current owner in 2020.

**Table 1**

**Number of Complaints by Type and Source**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Subject of Complaint**  | **CATS** | **DEP** | **Utility** | **Correspondence** | **Total** |
| **Water Pressure**  | 4 | 1 | 11 | 9 | 25 |
| **Customer Service**  | 2 | 0 | 1 | 3 | 6 |
| **Rate Increase**  | 2 | 0 | 0 | 3 | 5 |
| **Billing** | 0 | 0 | 2 | 1 | 3 |
| **Total \*** | 4 | 1 | 14 | 9 | 28\* |

\* A single customer complaint may be counted multiple times if it was reported to multiple agencies.

 The CATS includes four complaints during the years reviewed, with one filed in 2020, and three filed in 2021. All four complaints were related to low water pressure, while two also mentioned poor customer service and the excessive rate increase. The DEP received one complaint, in 2015, regarding the water pressure. The Utility addressed the complaint to the DEP’s satisfaction and the complaint was closed. The Utility received 14 complaints during the past five years. Eleven were related to water pressure, two related to billing issues and one customer service complaint. All 14 complaints filed with Sunny Shores were closed by the Utility. Nine customers filed correspondence in this docket. All nine discussed low water pressure, three also addressed poor customer service and the excessive rate increase, and one also noted a billing issue. A customer meeting was held on May 21, 2021, and no customers attended the meeting.

 It appears based on the complaints received that low water pressure has been an ongoing issue. However, when the water pressure has been tested by the Utility, it is above the DEP standard of 20 pounds per square inch (PSI). As a reseller, Sunny Shores purchases water from Manatee County and the low pressure occurs when Manatee County flushes its water lines. The low pressure does not appear to be system wide, but most prevalent in the mobile home park. Sunny Shores has asked Manatee County to notify it when scheduled flushing will occur. Sunny Shores plans to then notify its customers of the upcoming pressure drop. As of June 11, 2021, Sunny Shores had not received a notice from Manatee County regarding flushing schedules. In response to our staff’s data request, the Utility stated it has contacted the Florida Rural Water Association to assist with the water pressure issue. Options such as adding a pump or storage tank on the Utility’s system were discussed; however, since the Utility does not own any land, these options are not feasible. The Utility is also working with Badger Meter Company to explore options to maintain stable water pressure, such as replacing the back flow preventer with an inline check valve and/or replacing the current mechanical meter with a sonar type meter. The Utility is also considering installing various types of devices at customers’ homes to record the variations in pressure. The goal would be to find a device, or series of devices, that helps maintain water pressure. We note that while the low water pressure may be an inconvenience for some customers, the Utility is meeting the DEP’s 20 PSI standard and is exploring alternatives that may resolve its customer concerns.

1. *Conclusion*

 Sunny Shores is passing all DEP primary and secondary standards and has been responsive to its customer concerns. Therefore, the quality of service provided by Sunny Shores shall be considered satisfactory.

2. 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 and compliance evaluation inspections for wastewater systems, citations, violations, and consent orders issued to the utility, customer testimony, comments, and complaints, and utility testimony and responses to the aforementioned items.

1. *Water System Operating Conditions*

 Sunny Shores purchases water from Manatee County; as such, it does not have any wells, water treatment facilities, or storage tanks. The water is pumped directly from Manatee County into the Utility’s distribution system. A review of the DEP records did not show any consent orders against the Utility. DEP inspected the Utility’s system on May 16, 2021, and determined the system is in compliance.

1. *Conclusion*

 Based on the above, Sunny Shores’ water system is currently in compliance with DEP regulations.

3. Used and Useful (U&U)

The distribution system is composed of approximately 855 feet of 3-inch and 12,654 feet of 2-inch polyvinyl chloride (PVC) pipes.

1. *Used and Useful Percentages*

 Sunny Shores has not had a previous rate case and as such used and useful (U&U) has not yet been established by us. The water distribution system is evaluated based on equivalent residential connection (ERCs) consisting of growth, customer demand, and system capacity. During the test year the Utility served a total of 270 ERCs (262 residential and 8 general service). The Utility had no growth during the test year or prior four years. The Utility’s system has a total capacity of 274 ERCs, resulting in a 98.5 percent U&U based on water usage. However, considering all of the water mains are required to adequately serve the existing customers, we find that the distribution system shall be considered 100 percent U&U.

1. *Excessive Unaccounted for Water (EUW)*

 Rule 25-30.4325, F.A.C., provides factors to be considered in determining whether adjustments to operating expenses are necessary for EUW. EUW is defined as "unaccounted for water in excess of 10 percent of the amount produced." Unaccounted for water is all water produced that is not sold, metered, or accounted for in the records of the Utility.

 Based on our review, the Utility purchased 9,244,700 gallons, and used 12,000 gallons for line flushing purposes during the test year. According to our staff’s audit report, the Utility sold 8,611,000 gallons of water for the test year. The resulting calculation ([9,244,700 - 12,000 - 8,611,000] ÷ 9,244,700) for unaccounted for water is 6.2 percent; therefore, the Utility has no EUW. No adjustments shall be made to purchased water expense.

1. *Conclusion*

 Sunny Shores’ water distribution system shall be considered 100 percent U&U. Additionally, no adjustment to purchased water shall be made for EUW.

4. Average Test Year Rate Base

The appropriate components of the Utility’s rate base include utility plant in service (UPIS), accumulated depreciation, and working capital. The Utility’s net book value was established as part of its transfer proceeding in Docket No. 20190182-WU.[[6]](#footnote-6) We selected the test year ended June 30, 2020, for the instant rate case. Our audit staff determined that the Utility’s books and records are in compliance with the National Association of Regulatory Utility Commissioners’ Uniform System of Accounts (NARUC USOA). A summary of each component and the approved adjustments are discussed below.

1. *Utility Plant in Service (UPIS)*

 The Utility recorded $26,774 for UPIS. The Utility did not record a balance in Account 341 – Transportation Equipment to reflect the allocated portion of vehicles owned by FUS1 and used by the Utility. The Utility submitted documentation supporting five vehicles with a cost of $87,904, which are used by all utilities operating under FUS1.[[7]](#footnote-7) Shared costs are allocated among all of the utilities in the FUS1 system based on each utility’s number of customers relative to the total number of utility customers. Based on Sunny Shores’ 8 percent allocation, we increased UPIS by $7,032 ($87,904 x 0.08). In addition to those five vehicles, a 2013 Haui trailer with a cost of $4,200 is also owned by FUS1 and used by Sunny Shores and Heather Hills. We applied a 43 percent allocation to the trailer based on the number of customers for Sunny Shores.[[8]](#footnote-8) We increased UPIS by $1,806 ($4,200 x 0.43) for the allocation of the trailer. In total, we increased UPIS by $8,838 ($7,032 + $1,806) for the vehicles. Additionally, we made an averaging adjustment to decrease UPIS by $903 to reflect the test year beginning and ending UPIS average balance. Our adjustments to UPIS are reflected in Table 3 on the next page.

**Pro Forma Plant Additions**

 Sunny Shores is seeking to implement an annual meter replacement program, due to the age of the existing meters. The Utility plans on replacing 35 meters during the first year of the program, and then 20 meters during each following year. We hereby approve the cost of the first year of meter replacements in this docket. The equipment cost per meter is $133, including the meter, meter box, lid, and lock. Labor costs excluding transportation will total $27 per meter, which includes one hour for a technician and a quarter hour for a customer service representative. The yearly equipment and labor costs therefore total $5,571 (35 x [$133 + $27]). Transportation is a considerable expense due to the location of the Utility relative to the company headquarters. Transportation will cost $154 per trip, including the mileage ($0.56 per mile x 140 miles = $78) and labor (3.5 hours x $21 = $75).[[9]](#footnote-9) The Utility is able to replace two meters per trip, meaning a total of 18 trips are necessary. Transportation costs total $2,766 (18 x $154). Therefore, pro forma for the replacement of 35 meters is $8,337 ($5,571 + $2,766); the retirement will be $6,253 based on 75 percent of the pro-forma plant. In addition to the meter replacement program, FUS1 purchased a vehicle on September 29, 2020, which is outside the test year.[[10]](#footnote-10) The vehicle cost was $31,142 and the 8 percent allocation to Sunny Shores is $2,491 ($31,142 x 0.08). Total pro forma adjustments are outlined in Table 2 below, and our adjustments to UPIS are summarized in Table 3.

**Table 2**

**Pro Forma Plant Adjustments**

|  |  |
| --- | --- |
| **Description** | **Amount** |
| Meter replacement equipment and labor. | $5,571 |
| Meter replacement transportation. | 2,766 |
| Seventy-five percent retirement on meter replacement. | (6,253) |
| Allocated portion of vehicle. | 2,491 |
|  Total pro forma adjustment. | $4,575 |

Source: Utility responses to our staff’s data requests.

**Table 3**

**Commission Adjustments to UPIS**

|  |  |
| --- | --- |
| **Description** | **Amount** |
| Allocated percentage of FUS1 vehicles. | $7,032 |
| Allocated percentage of Haui trailer. | 1,806 |
| Averaging adjustment. | (903) |
| Pro forma adjustment. | 4,575 |
|  Total adjustment to UPIS. | $12,511 |

Source: Utility responses to our staff’s data requests.

Based on the adjustments explained above and outlined in Tables 2 and 3, we hereby approve an average UPIS balance of $39,285 ($26,774 + $12,511).

1. *Land and Land Rights*

 The Utility did not record any land balance. As a reseller of water, there is no land associated with Sunny Shores. Therefore, land and land rights balances shall remain $0.

1. *Used and Useful (U&U)*

 As discussed in Section 3, Sunny Shores’ distribution system is considered 100 percent U&U. Therefore, no U&U adjustments are necessary.

1. *Accumulated Depreciation*

 The Utility recorded an accumulated depreciation balance of $8,220. As a result of our staff’s audit, an adjustment was made to decrease accumulated depreciation by $173. Additionally, we increased accumulated depreciation by $3,045 to reflect the Utility’s allocated portion of the vehicles and trailer discussed previously. We decreased accumulated depreciation by $1,414 to reflect an averaging adjustment, and further decreased accumulated depreciation by $5,715 to reflect pro forma adjustments. Therefore, we hereby approve an accumulated depreciation balance of $3,963 ($8,220 - $173 + $3,045 - $1,414 - $5,715).

1. *Contributions in Aid of Construction (CIAC)*

 The Utility did not record any CIAC. We made no adjustment to CIAC and therefore the CIAC balance shall remain $0.

1. *Accumulated Amortization of CIAC*

 The Utility did not record any accumulated amortization of CIAC. We made no adjustment, and therefore accumulated amortization of CIAC shall remain $0.

1. *Acquisition Adjustment (Net)*

 The Utility did not record any acquisition adjustments. We made no adjustment to this account and therefore the acquisition adjustment balance shall remain $0.

1. *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., we used the one-eighth operation and maintenance (O&M) expense (less rate case expense) formula for calculating the working capital allowance. Section 367.081(9), F.S., prohibits a utility from earning a return on the unamortized balance of rate case expense. As such, for this calculation, we removed the rate case expense balance of $435, resulting in an adjusted O&M expense balance of $91,928 ($92,363 - $435). Applying this formula, we hereby approve a working capital allowance of $11,491 ($91,928 ÷ 8).

1. *Rate Base Summary*

 Based on the foregoing, we hereby find that the appropriate average test year rate base is $46,813. Rate base is shown on Schedule No. 1-A. The related adjustments are shown on Schedule No. 1-B.

5. Rate of Return

As discussed in Section 9, we are using the Operating Ratio Methodology in this case. Although the traditional rate of return does not apply in this case due to rate base being less than 125 percent of O&M expenses, a return on equity (ROE) shall still be established for this Utility. The Utility’s capital structure is comprised entirely of long-term debt.

 The Utility’s capital structure has been reconciled with our approved rate base. The approved ROE is 10.55 percent with a range of 9.55 percent to 11.55 percent.[[11]](#footnote-11) The ROE is shown on Schedule No. 2. The traditional rate of return does not apply in this case due to rate base being less than 125 percent of O&M expenses. As such, the Operating Ratio Methodology is being used in this case.

6. Allowance for Funds Used During Construction (AFUDC)

On November 13, 2020, Sunny Shores submitted a request that we establish an AFUDC rate in this proceeding. In its request, the Utility stated “FUS1 plans to file a petition for approval of Capital Project Improvement plans for a majority of its systems with the Commission.”[[12]](#footnote-12) According to the Utility, FUS1 has engaged the engineering services of the Florida Rural Water Association (FRWA) to prepare an analysis report evaluating each of its systems and to recommend corrective actions along with funding sources. The Utility further stated that it believes “most, if not all, of the proposed capital projects will qualify for AFUDC treatment as authorized by Rule 25-30.116, F.A.C.”[[13]](#footnote-13) Sunny Shores is not currently authorized to accrue AFUDC and does not have a Commission-approved AFUDC cost rate. We find that it is appropriate to establish an AFUDC rate for the Utility. We recently established an AFUDC rate for two sister utilities.[[14]](#footnote-14)

 As discussed in Section 5, the Utility’s capital structure is comprised of long-term debt. Therefore, we used the year-end long-term debt to calculate the annual AFUDC rate and monthly compounding rate for Sunny Shores. Based on our review, we hereby find that an AFUDC rate of 7.83 percent is appropriate. We also approve a monthly compounding rate of 0.630192 percent to achieve an annual AFUDC rate of 7.83 percent.

7. Test Year Revenues

Sunny Shores recorded test year revenues of $93,205. The water revenues included $89,371 of service revenues and $3,834 of miscellaneous revenues. Subsequent to the test year, the Utility was granted a price index rate increase. In order to determine the appropriate test year service revenues, we annualized service revenues by applying the number of billing determinants to the rates in effect as of August 18, 2020. As a result, we determined that service revenues shall be $92,305, which is an increase of $2,934.

 We also made an adjustment to miscellaneous revenues. As discussed in further detail in Section 13, the Utility currently charges its customers a quarterly backflow maintenance charge for an annual inspection of backflow prevention devices. However, on a prospective basis, the Utility is requiring customers to have their backflow prevention device inspected independently. Therefore, we are decreasing miscellaneous revenues by $2,634 to remove revenues associated with the backflow maintenance charge. This adjustment results in miscellaneous revenues of $1,200 ($3,834 - $2,634) for the test year. Based on the above, the approved test year revenues for Sunny Shores’ water system are $93,505 ($92,305 + $1,200).

8. Operating Expenses

The Utility recorded operating expense of $103,031. The test year O&M expenses have been reviewed by us, including invoices and other supporting documentation. We made several adjustments to the Utility’s operating expenses as described below.

1. *Operation and Maintenance Expenses*

 Previously, we approved common O&M expenses be shared by all utilities operating under the parent company, FUS1.[[15]](#footnote-15) As mentioned earlier, O&M common costs are allocated among all of the utilities in the FUS1 system based on each utility’s number of customers relative to the total number of utility customers. Based on the number of customers for Sunny Shores, the allocation of FUS1 common costs for this utility is 8 percent.

**Salaries and Wages – Employees (601)**

 The Utility recorded a salaries and wages expense for employees of $19,937. We increased this amount by $5,924 to reflect the Utility’s allocated portion of a $74,046 increase approved in Docket No. 20200152-WS.[[16]](#footnote-16) This amount included salary increases for eight positions and the addition of one new Compliance Technician position. Therefore, we approve a salary and wages expense for employees of $25,861 ($19,937 + $5,924).

**Salaries and Wages – Officers and Directors (603)**

 The Utility recorded salaries and wages expense for officers and directors of $6,252. We made no adjustment to this account and therefore approve a salaries and wages expense for officers and directors of $6,252.

**Employee Pensions and Benefits (604)**

 The Utility recorded employee pensions and benefits of $485. We made no adjustment to this account and therefore approve an employee pensions and benefits of $485.

**Purchased Water (610)**

 The Utility recorded a purchased water expense of $34,041. The Utility purchases water from Manatee County. As a result of our staff’s audit, an adjustment to remove a late fee was made decreasing purchased water by $58. Therefore, we approve a purchased water expense of $33,983 ($34,041 - $58).

**Materials and Supplies (620)**

 The Utility recorded a materials and supplies expense of $978. This expense included allocated costs to the Utility, PVC repair tools, and miscellaneous tools. We made no adjustment to this account and therefore approve a materials and supplies expense of $978.

**Contractual Services – Professional (631)**

 The Utility recorded a contractual services – professional expense of $868. This amount reflects legal and accounting expenses incurred by the Utility. As a result of our staff’s audit, an adjustment was made decreasing this amount by $618 for expenses incurred outside of the test year. Therefore, we approve a contractual services – professional expense of $250 ($868 - $618).

**Contractual Services – Testing (635)**

 The Utility recorded a contractual services – testing expense of $6,564. We made no adjustment to this account and therefore approve a contractual services – testing expense of $6,564.

**Contractual Services – Other (636)**

 The Utility recorded a contractual services – other expense of $1,385. We increased this amount by $106 to reflect the allocated portion of replacing an air conditioning system at FUS1’s New Port Richey office. The total cost of the system was $6,650. We approved the expense of the air conditioning system in Docket No. 20200152-WS, and determined that the cost shall be amortized over five years.[[17]](#footnote-17) As such, we increased the contractual services – other expense for all FUS1 systems by $1,330 ($6,650 ÷ 5 years) in that docket. The allocated portion attributable to Sunny Shores is $106. Therefore, we approve a contractual services – other expense of $1,491 ($1,385 + $106).

**Rents (640)**

 The Utility recorded rent expense of $3,482, which included $533 as the allocated portion of the HVAC system discussed above. The $533 represents the full, unamortized amount allocated at 8 percent to the Utility ($6,650 x 0.08). We removed $533 from rent expense and applied the amortized portion to account 636. Additionally, the Utility included an insurance premium of $128 in account 640. We removed the premium from account 640 and reassigned it to account 655. Therefore, we approve rent expense of $2,821 ($3,482 - $533 - $128).

**Transportation Expense (650)**

 The Utility recorded a transportation expense of $3,304. We made no adjustment to this account, and therefore approve a transportation expense of $3,304.

**Insurance Expense (655)**

 The Utility recorded an insurance expense of $2,482. We increased this amount by $570 to reflect the allocated portion of an increase of $7,130 approved by us in Docket No. 20200152-WS.[[18]](#footnote-18) This increase covers auto insurance based on the premium for the policy period November 2019 through November 2020, as reflected in support documentation in that docket. The amount also includes a $200 increase for workman’s compensation insurance for the period November 2019 to November 2020. Additionally, we increased an insurance expense by $128 to reflect the amount reassigned from account 640. Therefore, we approve an insurance expense of $3,180 ($2,482 + $570 + $128).

**Regulatory Commission Expense (665)**

 The Utility did not record any regulatory commission expense. In response to our staff’s second data request, the Utility provided details of fees associated with its transfer docket.[[19]](#footnote-19) We increased this account by $594 to reflect the four-year amortization of regulatory commission expense related to legal, consulting, and filing fees associated with the transfer docket.[[20]](#footnote-20) We find that the amount shall be included in the instant docket because it has not been recovered in rates to date.

 Regarding the instant case, 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. We calculated noticing costs to be $739. Additionally, the Utility paid a $1,000 filling fee.[[21]](#footnote-21) We did not include any travel expense, as the customer meeting was held remotely, and no costs were incurred to attend the Commission Conference.[[22]](#footnote-22) We hereby approve noticing costs and filing fee of $1,739 ($739 + $1,000), which amortized over four years is $435 ($1,739 ÷ 4 years) per year. Therefore, we approve a regulatory commission expense of $1,029 ($594 + $435).

**Bad Debt Expense (670)**

 The Utility recorded $7 in bad debt expense in the test year. However, in the 2020 Annual Report, the Utility recorded bad debt expense of $5,339. The current owner acquired the Utility in 2019, and the $7 bad debt expense is due to the fact that the previous owner did not maintain records of bad debt, nor did the previous owner write off any of the old accounts. The amount recorded in the 2020 Annual Report is reflective, in part, of the Utility’s current ownership writing off old accounts from years prior. Additionally, we acknowledge that some portion of this increase is due to the financial difficulties experienced as a result of the COVID-19 pandemic. The general practice for determining an appropriate allowance for bad debt expense is to rely upon a three-year average of actual experience. However, in the instant case, three years of records are not available for the current owner, and the information that is available has been influenced by extraordinary circumstances that are not expected to continue indefinitely. Despite these challenges, it is incumbent that the amount of bad debt expense included in the revenue requirement is representative of the bad debt expense to be incurred by the Utility when rates go into effect.

 We note that while it is our practice to calculate bad debt expense using a three-year average, three years of records are not yet available. We find that in this instance, it is more appropriate to use 1.5 percent of the Utility’s revenues. Doing so recognizes a portion of the pandemic-related increase to bad debt expense while reflecting an amount that is more likely to be representative of the Utility’s expected bad debt expense going forward. As such, we approve bad debt expense of $1,403.

**Miscellaneous Expense (675)**

 The Utility recorded $17,485 as a miscellaneous expense. As a result of our staff’s audit, an adjustment was made decreasing this amount by $392 for removal of expenses outside of the test year. In response to our staff’s second data request, the Utility advised there was an erroneous amount of $12,331 included in miscellaneous expense.[[23]](#footnote-23) As such, we further decreased this amount by $12,331. Therefore, we approve a miscellaneous expense of $4,762 ($17,485 - $392 - $12,331).

1. *Operation and Maintenance Expense Summary*

 The Utility recorded O&M expenses of $97,270 for the test year. Based on the above adjustments, we find that the O&M expense balance shall be decreased by $4,907, resulting in a total O&M expense of $92,363 ($97,270 - $4,907). Our approved adjustments to O&M expenses are shown on Schedule No. 3-C.

1. *Depreciation Expense*

 The Utility did not record any depreciation expense. As a result of our staff’s audit, an adjustment was made to increase depreciation expense by $1,418. Using the depreciation rates prescribed in Rule 25-30.140, F.A.C., we increased depreciation expense by $1,410 to reflect the depreciation on the allocated portion of vehicles owned by FUS1 and used by the Utility. We further increased depreciation expense by $538 to reflect pro forma additions. Therefore, we approve depreciation expense of $3,366 ($1,418 + $1,410 + $538).

1. *Taxes Other Than Income (TOTI)*

 The Utility recorded TOTI of $5,761. As a result of our staff’s audit, an adjustment was made increasing TOTI by $94. Additionally, we decreased TOTI by $80 to reflect the appropriate RAFs based on corrected test year revenues. As discussed in Section 7, revenues have been increased by $15,711 to reflect the change in revenue required to cover expenses and allow an opportunity to earn the approved operating margin. As a result, TOTI shall be increased by $707 to reflect RAFs of 4.5 percent of the change in revenues. Therefore, we approve TOTI of $6,482 ($5,761 + $94 - $80 + $707).

1. *Operating Expenses Summary*

 The Utility recorded operating expenses of $103,031. The application of our approved adjustments to the Utility’s operating expenses result in a total operating expense of $102,210. Operating expenses are shown on Schedule No. 3-A, and the related adjustments are shown on Schedule No. 3-B.

9. Operating Ratio Methodology

Rule 25-30.4575(2), F.A.C., provides 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 a utility’s rate base is no greater than 125 percent of O&M expenses and the use of the Operating Ratio Methodology does not change the Utility’s qualification for a SARC.

 Under the Operating Ratio Methodology, instead of calculating the utility’s revenue requirement based on a rate of return on the utility’s rate base, the revenue requirement is calculated using a margin of 12 percent of O&M expenses, not to exceed $15,000. Purchased water and wastewater expenses, if any, must be removed from O&M expense prior to calculating the margin of 12 percent.

 With respect to Sunny Shores, we have approved a rate base of $46,813, and O&M expense of $92,363 (Sections 4 and 8, respectively). Based on the approved amounts, Sunny Shores’ rate base is only 51 percent of its O&M expense. Pursuant to Rule 25-30.4575(2), F.A.C., we removed the purchased water expense of $33,983 from the total O&M expense of $92,363. Therefore, we used an adjusted O&M expense of $58,380 ($92,363 - $33,983). In addition, the application of the Operating Ratio Methodology does not change the Utility’s qualification for a SARC. As such, Sunny Shores meets the criteria for the Operating Ratio Methodology established in Rule 25-30.4575(2), F.A.C. Therefore, we approve the application of the Operating Ratio Methodology at a margin of 12 percent of the adjusted O&M expense of $58,380 for determining the revenue requirement.

10. Revenue Requirement

Sunny Shores shall be allowed an annual increase of $15,711 (16.80 percent). This will allow the Utility the opportunity to recover its expenses and a 12 percent operating margin on its adjusted O&M expenses. The calculations are shown in Table 4.

**Table 4**

**Water Revenue Requirement**

|  |  |
| --- | --- |
|  |  |
| Adjusted O&M Expense | $58,380 |
|  |  |
| Operating Margin (%) | x 12.00% |
|  |  |
| Operating Margin ($) | $7,006 |
|  |  |
| Water O&M Expense | $92,363 |
|  |  |
| Depreciation Expense | $3,366 |
|  |  |
| Taxes Other Than Income | $6,482 |
|  |  |
| Revenue Requirement | $109,216 |
|  |  |
| Less Test Year Revenues | $93,505 |
|  |  |
| Annual Increase | $15,711 |
|  |  |
| Percent Increase | 16.80% |
|  |  |

 Source: Our staff’s calculations.

11. Rate Structure

Sunny Shores is a reseller located in Manatee County and purchases bulk water from the County. The Utility provides water service to 262 residential customers and two general service customers. Seasonality is typically determined based on the percentage of bills at zero gallons shown on the billing analysis, which is 13 percent in this case. However, the Utility bills on a quarterly basis, so an average was used to determine the approximate monthly usage. Averaging the quarterly bill on a monthly basis may allocate usage to a month in the quarter where there could have been no usage. For this reason, we find it appropriate to evaluate the seasonality based on the percentage of bills at the 1,000 gallon level, which is approximately 34 percent. This is an indication that the customer base is seasonal. The average residential water demand is 2,664 gallons per month. The average water demand excluding zero gallon bills is 3,055 gallons per month. The Utility’s current rate structure consists of a quarterly base facility charge (BFC), which includes a 10,800 gallon allotment, and a uniform gallonage charge for usage over 10,800 gallons.

 We 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 approved revenue requirement; 2) equitably distribute cost recovery among the Utility’s customers; 3) establish the appropriate non-discretionary usage threshold for restricting repression; and 4) implement, where appropriate, water conserving rate structures consistent with our practice.

 Due to the customers’ low average monthly consumption coupled with a seasonal customer base, 75 percent of the revenue requirement shall be recovered through the BFC in an effort to maintain revenue stability. In addition, the Utility’s current rate structure with the 10,800 gallon allotment is considered a non-conservation oriented rate structure. Therefore, in order to promote the goal of eliminating water rate structures that discourage conservation, the allotment of 10,800 gallons shall be eliminated in this case. Further, monthly billing is the preferred method for the purposes of conservation, which allows the customers to monitor their usage in an effort to minimize the impact on their bill. However, the Utility requested that the quarterly billing remain unchanged. We find that the Utility’s request is appropriate because the cost of implementing monthly billing outweighs any benefits and there are no issues with excessive usage in this case. Although the quarterly billing is non-conservation oriented, removing the allotment is a step in the right direction in terms of conservation. We hereby approve a rate structure with a quarterly BFC for all meter sizes and uniform gallonage charge for all gallons.

 Based on our approved revenue increase of 17.0 percent, which excludes miscellaneous revenues, the residential consumption can be expected to decline by 1,225,000 gallons resulting in anticipated average residential demand of 2,273 gallons per month. We approve a 14.7 percent reduction in test year residential gallons for rate setting purposes and corresponding reductions of $4,834 for purchased water and $228 for RAFs to reflect the anticipated repression. This results in a post-repression revenue requirement of $102,954.

 Our approved rate structure and quarterly 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 sheet pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates shall not be implemented until our 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 within 10 days of the date of the notice.

12. Customer Deposits

Rule 25-30.311, F.A.C., provides the criteria for collecting, administering, and refunding customer deposits. Customer deposits are designed to minimize the exposure of bad debt expense for the Utility and, ultimately, the general body of ratepayers. An initial customer deposit ensures that the cost of providing service is recovered from the cost causer. Historically, we have set initial customer deposits equal to two times the average estimated bill.[[24]](#footnote-24) The Utility currently does not have customer deposits for its residential and general service customers.

 Our practice has been to set initial customer deposits equal to two billing periods based on the average consumption for a 12-month period for each class of customers.[[25]](#footnote-25) The Utility’s average monthly residential usage is 2,664 gallons per customer. The Utility’s average monthly residential water usage after repression is 2,273 gallons per customer. Sunny Shores bills on a quarterly basis; however, an average residential monthly bill based on our approved rates is approximately $32.33 for water, which results in $96.99 quarterly.

 Based on the above, the appropriate initial customer deposit for the residential 5/8 inch x 3/4 inch meter size is $194 for water. The initial customer deposit for all other residential meter sizes and all general service meter sizes shall be two times the average estimated quarterly bill for water. The approved initial customer deposits shall be effective for connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility shall be required to collect the approved initial customer deposits until authorized to change them by us in a subsequent proceeding.

13. Removal of Tariff Charge

The Utility currently has a backflow maintenance charge of $5.46, which was approved in 2010 when the Utility was under previous ownership.[[26]](#footnote-26) The backflow maintenance charge was billed quarterly and allowed the Utility to pay a contracted state certified plumber the costs of annual inspections of backflow prevention devices. Annual inspections are mandated by the DEP. In its application, the Utility is requesting to remove the backflow maintenance charge from its tariff or reclassify the charge. The backflow prevention devices are the property of customers and the Utility believes the customers should be responsible for having their backflow prevention devices inspected independently. In prior decisions, we have recognized that ensuring backflow prevention devices are functioning properly is the customer’s responsibility.[[27]](#footnote-27) Once customers have their backflow prevention device inspected, the Utility shall require the customers to provide documentation of the inspection by a date certain. A backflow prevention device that is not working properly is hazardous to the entire water system. Failing to comply with the annual inspection of the backflow prevention device to determine it is functioning properly is a deficiency. If a customer fails to provide proof the backflow prevention device has been inspected by the date certain, the Utility can discontinue service pursuant to Rule 25-30.320(2)(b), F.A.C., for failure to correct deficiencies.

 Based on the above, we approve the Utility’s request to remove the tariff charge for maintenance of customers’ backflow prevention devices. The Utility shall require customers to provide documentation of the annual inspection by a date specified by the Utility.

14. Meter Tampering Charge

In its application, the Utility requested a meter tampering charge. In response to our staff’s first data request, the Utility requested approximately $154 for a meter tampering charge. However, in our staff’s second data request, the Utility revised its request to include the cost of a meter lock, which increased the Utility’s request to $178.79 for a meter tampering charge. Nonetheless, the Utility rounded its request down to $178. The Utility’s request to establish a meter tampering charge was accompanied by a cost justification as required by Section 367.091, F.S. The Utility indicated that there has been no evidence of meter tampering.

 Rule 25-30.320(2)(i), F.A.C., provides that a customer’s service may be discontinued without notice in the event of tampering with the meter or other facilities furnished or owned by the Utility. In addition, Rule 25-30.320(2)(j), F.A.C., provides that a customer’s service may be discontinued in the event of unauthorized or fraudulent use of service. The rule allows the Utility to require the customer to reimburse the utility for all changes in piping or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the deficiency in revenue resulting from the customer’s fraudulent use before restoring service.

 Pursuant to Rule 25-30.345, F.A.C., a Utility may charge a reasonable fee to defray the cost of restoring service that was discontinued for proper cause as specified in Rule 25-30.320, F.A.C. As shown in the Utility’s cost justification, if there is evidence of meter tampering, the Utility’s estimate to perform the labor consists of 4.00 hours, which includes 3.5 hours of driving time, 15 minutes to perform the meter repair, and 15 minutes to charge the customer’s account. The cost justification also reflects transportation cost at $.56 per mile, which is consistent with the IRS standard mileage rate. In this case, the Utility’s office is not in proximity of Sunny Shores’ service area; therefore, the majority of the labor consists of driving time to and from the service area. We find that the Utility’s request of $178 is cost based. The Utility’s cost justification is summarized on the following page in Table 5.

**Table 5**

**Cost Basis for Meter Tampering Charge**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Item** | **Description** | **Quantity** | **Rate** | **Cost** |
| Equipment | Meter Lock | 1 | $14.76 | $14.76 |
| Mileage | Round trip from Utility to service area | 140 miles | $0.56 | $78.40 |
| Technical Labor | Driving time (round trip) and meter repair | 3.75 hours | $21.50 | $80.63 |
| Administrative Labor | Phone call to customer and charge customer account | 0.25 hours | $20.00 | $5.00 |
| Total Charge |  |  |  | $178.79 |

Source: Response to our staff’s inquiry.

Based on the above, the Utility’s request to implement a $178 meter tampering charge shall be approved. The Utility shall be required to file a proposed customer notice to reflect the Commission-approved charge. The approved charge shall be effective for services rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(2), F.A.C. In addition, the approved charge shall not be implemented until our staff has approved the proposed customer notice. The Utility shall provide proof of the date notice was given no less than 10 days after the date of the notice.

15. Rate Case Expense (Procedural Agency Action)

Section 367.081(8), F.S., requires that the rates be reduced immediately following the expiration of the recovery period by the amount of the rate case expense previously included in rates. The reduction will reflect the removal of revenue associated with the amortization of rate case expense and the gross-up for RAFs, which results in a reduction of $487.

 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. The decrease in rates shall become effective immediately following the expiration of the rate case expense recovery period, pursuant to Section 367.081(8), F.S. Sunny Shores shall file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If the Utility files 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 or decrease and the reduction in the rates due to the amortized rate case expense.

16. Temporary Rates (Procedural Agency Action)

This Order approves 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, the proposed rates shall be approved on a temporary basis. Sunny Shores shall file revised tariff sheets and a proposed customer notice reflecting the Commission-approved rates. The approved rates shall be effective for service 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 our staff has approved the proposed notice, and the notice has been received by the customers. The additional revenue produced by the approved rates and collected by the Utility shall be subject to the refund provisions discussed below.

 Sunny Shores is authorized to initiate the temporary rates upon our 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 $10,871. 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.

17. Adjustment to Books

Sunny Shores shall notify us, in writing, that it has adjusted its books in accordance with our decision. Sunny Shores shall submit a letter within 90 days of our final order in this docket, confirming that the adjustments to all the 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. Upon providing a notice of good cause, our staff is 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 the overall quality of service provided by Sunny Shores Utilities, LLC is satisfactory. It is further

ORDERED that Sunny Shores Utilities, LLC’s water system is currently in compliance with DEP regulations. It is further

ORDERED that Sunny Shores Utilities, LLC’s water distribution system shall be considered 100 percent U&U, and that no adjustment to purchased water shall be made for EUW. It is further

ORDERED that the appropriate average test year rate base for Sunny Shores Utilities, LLC is $46,813. Rate base is shown on Schedule No. 1-A. The related adjustments are shown on Schedule No. 1-B. It is further

ORDERED that the approved ROE for Sunny Shores Utilities, LLC is 10.55 percent with a range of 9.55 percent to 11.55 percent. The ROE is shown on Schedule No. 2. The traditional rate of return does not apply in this case due to rate base being less than 125 percent of O&M expenses. As such, the Operating Ratio Methodology is being used in this case. It is further

ORDERED that the appropriate AFUDC rate for Sunny Shores Utilities, LLC, is 7.83 percent, and that the appropriate monthly compounding rate to achieve an annual AFUDC rate of 7.83 percent is 0.630192 percent. It is further

ORDERED that the appropriate test year revenues for Sunny Shores Utilities, LLC’s water system are $93,505. It is further

ORDERED that the approved operating expense for Sunny Shores Utilities, LLC is $102,210. It is further

ORDERED that Sunny Shores Utilities, LLC meets the requirement for application of the Operating Ratio Methodology for calculating the water revenue requirement. The margin shall 12 percent of the adjusted O&M expense of $58,380 for determining the revenue requirement. It is further

ORDERED that the approved revenue requirement for Sunny Shores Utilities, LLC is $109,216, resulting in an annual increase of $15,711 (16.80 percent). It is further

ORDERED that the approved rate structure and quarterly water rates for Sunny Shores Utilities, LLC, are shown on Schedule No. 4. It is further

ORDERED that Sunny Shores Utilities, LLC 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 sheet pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates shall not be implemented until our 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 within 10 days of the date of the notice. It is further

ORDERED that the appropriate initial customer deposit for Sunny Shores Utilities, LLC’s residential 5/8 inch x 3/4 inch meter size is $194 for water. The initial customer deposit for all other residential meter sizes and all general service meter sizes shall be two times the average estimated quarterly bill for water. The approved initial customer deposits shall be effective for connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility shall be required to collect the approved initial customer deposits until authorized to change them by us in a subsequent proceeding. It is further

ORDERED that Sunny Shores Utilities, LLC’s request to remove the tariff charge for maintenance of customers’ backflow prevention devices be approved. The Utility shall require customers to provide documentation of the annual inspection by a date specified by the Utility. It is further

ORDERED that Sunny Shores Utilities, LLC’s request to implement a $178 meter tampering charge shall be approved. The Utility shall file a proposed customer notice to reflect the Commission-approved charge. The approved charge shall be effective for services rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(2), F.A.C. In addition, the approved charge shall not be implemented until our staff has approved the proposed customer notice. The Utility shall provide proof of the date notice was given no less than 10 days after the date of the notice. It is further

ORDERED that Sunny Shores Utilities, LLC’s 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. The decrease in rates shall become effective immediately following the expiration of the rate case expense recovery period, pursuant to Section 367.081(8), F.S. Sunny Shores Utilities, LLC shall file revised tariffs and a proposed customer notice setting forth the lower rates and the reason for the reduction no later than one month prior to the actual date of the required rate reduction. If Sunny Shores Utilities, LLC files 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 or decrease and the reduction in the rates due to the amortized rate case expense. *(Procedural Agency Action)* It is further

ORDERED that the rates for Sunny Shores Utilities, LLC are approved on a temporary basis, subject to refund, in the event of a protest filed by a party other than the Utility. Sunny Shores Utilities, LLC shall file revised tariff sheets and a proposed customer notice reflecting the Commission-approved rates. The approved rates shall be effective for service 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 our staff has approved the proposed notice, and the notice has been received by the customers. Prior to implementation of any temporary rates, Sunny Shores Utilities, LLC shall provide appropriate security. If rates are approved on a temporary basis, the rates collected by the Utility shall be subject to the refund provisions set forth in the body of this Order. 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’s Office of Commission Clerk no later than the 20th of each 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. *(Procedural Agency Action).* It is further

ORDERED that Sunny Shores Utilities, LLC shall notify this Commission, in writing, that the Utility has adjusted its books in accordance with our decision. Sunny Shores shall submit a letter within 90 days of our final order in this docket, confirming that the adjustments to all the applicable National Association of Regulatory Utility Commissioners Uniform System of Accounts primary accounts have been made to the Utility’s books and records. In the event that Sunny Shores Utilities, LLC needs additional time to complete the adjustments, a notice providing good cause shall be filed not less than seven days prior to the deadline. Upon providing a notice of good cause, our staff is given administrative authority to grant an extension of up to 60 days. *(Procedural Agency Action)* It is further

 ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the “Notice of Further Proceedings” attached hereto. It is further

ORDERED that this docket shall remain open for our staff’s verification that the revised tariff sheets and customer notice have been filed by Sunny Shores Utilities, LLC, and approved by our staff. Once these actions are complete, this docket shall be closed administratively.

 By ORDER of the Florida Public Service Commission this 23rd day of August, 2021.

|  |  |
| --- | --- |
|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMANCommission Clerk |

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413‑6770

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

AJW

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.

 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 13, 2021. 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 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 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.

|  |  |  |  |
| --- | --- | --- | --- |
|  |  **SUNNY SHORES UTILITIES, LLC** | **SCHEDULE NO. 1-A** |  |
|  | **TEST YEAR ENDED 06/30/2020** | **DOCKET NO. 20200230-WU** |  |
|  | **SCHEDULE OF WATER RATE BASE** |  |  |  |  |
|  |  | **BALANCE** |  | **BALANCE** |  |
|  |  | **PER** | **COMM.** | **PER** |  |
|  | **DESCRIPTION** | **UTILITY** | **ADJUST.** | **COMM** |  |
|  |  |  |  |  |  |
| 1. | UTILITY PLANT IN SERVICE | $26,774 | $12,511 | $39,285 |  |
|  |  |  |  |  |  |
| 2. | LAND & LAND RIGHTS | 0 | 0 | 0 |  |
|  |  |  |  |  |  |
| 3. | ACCUMULATED DEPRECIATION | (8,220) | 4,257 | (3,963) |  |
|  |  |  |  |  |  |
| 4. | CIAC | 0 | 0 | 0 |  |
|  |  |  |  |  |  |
| 5. | ACCUMULATED AMORTIZATION OF CIAC | 0 | 0 | 0 |  |
|  |  |  |  |  |  |
| 6. | ACQUISITION ADJUSTMENT (NET) | 0 | 0 | 0 |  |
|  |  |  |  |  |  |
| 7. | WORKING CAPITAL ALLOWANCE | 0 | 11,491 | 11,491 |  |
|  |  |  |  |  |  |
| 8. | WATER RATE BASE | $18,554 | $28,259 | $46,813 |  |
|  |  |  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
|  |  **SUNNY SHORES UTILITIES, LLC** | **SCHEDULE NO. 1-B** |  |
|  | **TEST YEAR ENDED 06/30/2020** | **DOCKET NO. 20200230-WU** |  |
|  | **ADJUSTMENTS TO RATE BASE** |  |  |  |
|  |  |  |  |  |
|  |  |  | **WATER** |  |
|  | **UTILITY PLANT IN SERVICE** |  |  |  |
| 1. | To reflect allocated percentage of vehicles. |  | $7,032 |  |
| 2. | To reflect allocated percentage of Haui trailer. |  | 1,806 |  |
| 3. | To reflect an averaging adjustment. |  | (903) |  |
| 4. | To reflect pro forma meter replacement equipment and labor. | 5,571 |  |
| 5. | To reflect pro forma meter replacement transportation. | 2,766 |  |
| 6. | To reflect 75% retirement on pro forma meter replacement. | (6,253) |  |
| 7. | To reflect allocated portion of pro forma purchase of vehicle. | 2,491 |  |
|  |  Total |  | $12,511 |  |
|  |  |  |  |  |
|  | **ACCUMULATED DEPRECIATION** |  |  |  |
| 1. | To reflect an auditing adjustment. |  | $173 |  |
| 2. | To reflect allocated percentage of vehicles. |  | (3,045) |  |
| 3 | To reflect an averaging adjustment. |  | 1,414 |  |
| 4. | To reflect pro forma adjustment. |  | 5,715 |  |
|  |  Total |  | $4,257 |  |
|  |  |  |  |  |
|  | **WORKING CAPITAL ALLOWANCE** |  |  |  |
|  | To reflect 1/8 of test year O&M expense. |  | $11,491 |  |
|  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  **SUNNY SHORES UTILITIES, LLC** |  |  | **SCHEDULE NO. 2** |  |
|  | **TEST YEAR ENDED 06/30/2020** |  |  | **DOCKET NO. 20200230-WU** |  |
|  | **SCHEDULE OF CAPITAL STRUCTURE** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  | **PRO RATA** | **BALANCE** | **PERCENT** |  |  |  |
|  |  | **PER** | **ADJUST-** | **PER** | **OF** |  | **WEIGHTED** |  |
|  | **CAPITAL COMPONENT** | **UTILITY** | **MENTS** | **COMMISSION** | **TOTAL** | **COST** | **COST** |  |
|  |  |  |  |  |  |  |  |  |
| 1. | LONG-TERM DEBT | $42,034 | $4,779 | $46,813 | 100.00% | 7.90% | 7.90% |  |
| 2. | SHORT-TERM DEBT | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% |  |
| 3. | COMMON EQUITY | 0 | 0 | 0 | 0.00% | 10.55% | 0.00% |  |
| 4 | CUSTOMER DEPOSITS | 0 | 0 | 0 | 0.00% | 2.00% | 0.00% |  |
| 5 | DEFERRED INCOME TAXES | 0 | 0 | 0 | 0.00% | 0.00% | 0.00% |  |
|  |  TOTAL CAPITAL | $42,034 | $4,779 | $46,813 | 100.00% |  | 7.90% |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  | **RANGE OF REASONABLENESS** | **LOW** | **HIGH** |  |
|  |  |  |  RETURN ON EQUITY | 9.55% | 11.55% |  |
|  |  |  |  OVERALL RATE OF RETURN | 7.90% | 7.90% |  |
|  |  |  |  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
|  |  **SUNNY SHORES UTILITIES, LLC** | **SCHEDULE NO. 3-A** |  |
|  | **TEST YEAR ENDED 06/30/2021** | **DOCKET NO. 20200230-WU** |  |
|  | **SCHEDULE OF WATER OPERATING INCOME** |  |  |  |  |
|  |  | **TEST YEARPERUTILITY** | **COMMISSION ADJUST-MENTS** | **COMMISSION ADJUSTEDTEST YEAR** | **ADJUSTFORINCREASE** | **REVENUEREQUIRE-MENT** |  |
|  |  |  |  |  |  |  |  |
| 1. | **TOTAL OPERATING REVENUES** | $93,205 | $300 | $93,505 | $15,711 | $109,216 |  |
|  |  |  |  |  | 16.80% |  |  |
|  |  |  |  |  |  |  |  |
|  | OPERATING EXPENSES: |  |  |  |  |  |  |
| 2. |  OPERATION & MAINTENANCE | $97,270 | ($4,907) | $92,363 | $0 | $92,363 |  |
|  |  |  |  |  |  |  |  |
| 3. |  DEPRECIATION (NET) | 0 | 3,366 | 3,366 | 0 | 3,366 |  |
|  |  |  |  |  |  |  |  |
| 4. |  AMORTIZATION (NET) | 0 | 0 | 0 | 0 | 0 |  |
|  |  |  |  |  |  |  |  |
| 5. |  TAXES OTHER THAN INCOME | 5,761 | 14 | 5,775 | 707 | 6,482 |  |
|  |  |  |  |  |  |  |  |
| 6. |  INCOME TAXES | 0 | 0 | 0 | 0 | 0 |  |
|  |  |  |  |  |  |  |  |
|  | **TOTAL OPERATING EXPENSES** | $103,031 | ($1,528) | $101,503 | $707 | $102,210 |  |
|  |  |  |  |  |  |  |  |
| 7. | **OPERATING INCOME / (LOSS)** | ($9,826) |  | ($7,998) |  | $7,006 |  |
|  |  |  |  |  |  |  |  |
| 8. | **WATER RATE BASE** | $18,554 |  | $28,259 |  | $46,813 |  |
|  |  |  |  |  |  |  |  |
| 9. | **OPERATING MARGIN** |  |  |  |  | 12.00% |  |
|  |  |  |  |  |  |  |  |

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| --- | --- | --- | --- |
|  |  **SUNNY SHORES UTILITIES, LLC** | **SCHEDULE NO. 3-B** |  |
|  | **TEST YEAR ENDED 06/30/2020** | **DOCKET NO. 20200230-WU** |  |
|  | **ADJUSTMENTS TO OPERATING INCOME** |  | **PAGE 1 OF 2** |  |
|  |  |  |  |  |
|  |  |  | **WATER** |  |
|  | **OPERATING REVENUES** |  |  |  |
| 1. | To reflect the appropriate test year Service Revenues. |  | $2,934 |  |
| 2. | To reflect the appropriate test year Miscellaneous Revenues. |  | (2,634) |  |
|  |  Total |  | $300 |  |
|  |  |  |  |  |
|  | **OPERATION AND MAINTENANCE EXPENSE** |  |  |  |
| 1. | Salaries and Wages – Employees (601) |  |  |  |
|  | To reflect allocated pro forma increase. |  | $5,924 |  |
|  |  |  |  |  |
| 2. | Purchased Water (610) |  |  |  |
|  | To reflect an adjustment to remove a late fee. |  | ($58) |  |
|  |  |  |  |  |
| 3. | Contractual Services – Professional (631) |  |  |  |
|  | To reflect an adjustment to remove out of test year expenses. |  | ($618) |  |
|  |  |  |  |  |
| 4. | Contractual Services – Other (636) |  |  |  |
|  | To reflect allocated pro forma increase for HVAC system. |  | $106 |  |
|  |  |  |  |  |
| 5. | Rental Expense (640) |  |  |  |
|  | a. To reflect reassignment of insurance to account 655. |  | ($128) |  |
|  | b. To reflect reassignment of HVAC to account 636. |  | (533) |  |
|  |  Subtotal |  | ($661) |  |
|  |  |  |  |  |
| 6. | Insurance Expense (655) |  |  |  |
|  | a. To reflect reassignment of insurance from account 640. |  | $128 |  |
|  | b. To reflect allocated pro forma increase. |  | 570 |  |
|  |  Subtotal |  | $698 |  |
|  |  |  |  |  |
| 7. | Rate Case Expense (665) |  |  |  |
|  | a. To reflect annual amortization of costs incurred in Transfer Docket. | $594 |  |
|  | b. To reflect 1/4 rate case expense. |  | 435 |  |
|  |  Subtotal |  | $1,029 |  |
|  |  |  |  |  |
| 8. | Bad Debt Expense (670) |  |  |  |
|  | To reflect 1.5 percent of test year revenues. |  | $1,396 |  |
|  |  |  |  |  |
| 9. | Miscellaneous Expense (675) |  |  |  |
|  | a. To reflect an auditing adjustment. |  | ($392) |  |
|  | b. To reflect removal of error amount. |  | (12,331) |  |
|  |  Subtotal |  | ($12,723) |  |
|  |  |  |  |  |
|  | **TOTAL O&M ADJUSTMENTS** |  | ($4,907) |  |
|  |  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  | **SUNNY SHORES UTILITIES, LLC** | **SCHEDULE NO. 3-B** |  |
|  | **TEST YEAR ENDED 06/30/2020** | **DOCKET NO. 20200230-WU** |  |
|  | **ADJUSTMENTS TO OPERATING INCOME** |  | **PAGE 2 OF 2** |  |
|  |  |  |  |  |
|  |  |  | **WATER** |  |
|  |  |  |  |  |
|  | **DEPRECIATION EXPENSE** |  |  |  |
| 1. | To reflect an auditing adjustment. |  | $1,418 |  |
| 2. | To reflect allocated percentage of vehicles. |  | 1,410 |  |
| 3. | To reflect pro forma additions. |  | 538 |  |
|  |  Total |  | $3,366 |  |
|  |  |  |  |  |
|  | **TAXES OTHER THAN INCOME** |  |  |  |
| 1. | To reflect an auditing adjustment. |  | $94 |  |
| 2. | To reflect appropriate test year RAFs. |  | (80) |  |
|  |  Total |  | $14 |  |
|  |  |  |  |  |
|  | **TOTAL OPERATING EXPENSE** |  | ($1,528) |  |
|  |  |  |  |  |

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|  |  **SUNNY SHORES UTILITIES, LLC** | **SCHEDULE NO. 3-C** |  |
|  | **TEST YEAR ENDED 06/30/2020** | **DOCKET NO. 20200230-WU** |  |
|  | **ANALYSIS OF WATER O&M EXPENSE** |  |  |  |  |
|  |  |  | **TOTAL** | **COMM.** | **TOTAL** |  |
|  |  |  | **PER** | **ADJUST-** | **PER** |  |
|  | **ACCT. #** | **DESCRIPTION** | **UTILITY** | **MENTS** | **COMM** |  |
|  |  |  |  |  |  |  |
|  | 601 | Salaries and Wages – Employees | $19,937 | $5,924 | $25,861 |  |
|  | 603 | Salaries and Wages – Officers | 6,252 | 0 | 6,252 |  |
|  | 604 | Employee Pensions and Benefits | 485 | 0 | 485 |  |
|  | 610 | Purchased Water | 34,041 | (58) | 33,983 |  |
|  | 620 | Materials and Supplies | 978 | 0 | 978 |  |
|  | 631 | Contractual Services – Professional | 868 | (618) | 250 |  |
|  | 635 | Contractual Services – Testing | 6,564 | 0 | 6,564 |  |
|  | 636 | Contractual Services – Other | 1,385 | 106 | 1,491 |  |
|  | 640 | Rents | 3,482 | (661) | 2,821 |  |
|  | 650 | Transportation Expense | 3,304 | 0 | 3,304 |  |
|  | 655 | Insurance Expense | 2,482 | 698 | 3,180 |  |
|  | 665 | Rate Case Expense | 0 | 1,029 | 1,029 |  |
|  | 670 | Bad Debt Expense | 7 | 1,396 | 1,403 |  |
|  | 675 | Miscellaneous Expenses | 17,485 | (12,723) | 4,762 |  |
|  |  |  |  |  |  |  |
|  |  | Total O&M Expense | $97,270 | ($4,907) | $92,363 |  |
|  |  |  |  |  |  |  |
|  |  | Working Capital is 1/8 of O&M Less RCE |  |  | $11,491 |  |
|  |  |  |  |  |  |  |

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|  **SUNNY SHORES UTILITIES, LLC** | **SCHEDULE NO. 4** |
| **TEST YEAR ENDED 6/30/2021** | **DOCKET NO. 20200230-WU** |
| **QUARTERLY WATER RATES** |  |
|  | **UTILITY** | **COMMISSION-** | **4 YEAR** |
|  | **CURRENT** | **APPROVED** | **RATE** |
|  | **RATES** | **RATES** | **REDUCTION** |
|  |  |  |  |
| **Residential and General Service** |  |  |  |
| Base Facility Charge by Meter Size |  |  |  |
| Includes 10,800 gallons | $74.97 | N/A | N/A |
| Charge per 1,000 gallons over 10,800 | $5.14 | N/A | N/A |
|  |  |  |  |
| 5/8” x 3/4" |  | $73.26 | $0.31 |
| 3/4" |  | $109.89 | $0.46 |
| 1” |  | $183.15 | $0.77 |
| 1-1/2” |  | $366.30 | $1.54 |
| 2” |  | $586.08 | $2.46 |
| 3” |  | $1,172.16 | $4.92 |
| 4” |  | $1,831.50 | $7.69 |
| 6” |  | $3,663.00 | $15.38 |
|  |  |  |  |
| Charge per 1,000 gallons |  | $3.48 | $0.01 |
|  |  |  |  |
| **Typical Residential 5/8” x 3/4" Meter Bill Comparison** |  |  |
| 3,000 Gallons | $74.97 | $83.70 |  |
| 6,000 Gallons | $74.97 | $94.14 |  |
| 10,000 Gallons | $74.97 | $108.06 |  |
|  |  |  |  |

1. Order No. PSC-1995-1393-FOF-WS, issued November 9, 1995, in Docket No. 19951235-WS, *In re: Resolution of the Board of County Commissioners of Manatee County declaring Manatee County subject to the provisions of Chapter 367, F.S.* [↑](#footnote-ref-1)
2. Order No. PSC-1996-0599-FOF-WS, issued May 7, 1996, in Docket No. 19960028-WS, *In re: Application for certificates to provide water and wastewater service in Manatee County by Sunny Shores Water Co., Inc. under grandfather rights.* [↑](#footnote-ref-2)
3. Order No. PSC-2016-0523-TRF-WU, issued November 21, 2016, in Docket No. 20160023-WU, *In re: Application for transfer of majority organizational control of Sunny Shores Water Company, Inc., holder of Certificate No. 578-W in Manatee County, from Jack E. Mason to Jack E. Mason, II and Debbie A. Mason.* [↑](#footnote-ref-3)
4. Order No. PSC-2020-0265-PAA-WS, issued July 27, 2020, in Docket No. 20190182-WS, *In re: Application to transfer facilities and Certificate No. 578-W from Sunny Shores Water Co. to Sunny Shores Utilities, LLC, in Manatee County.* [↑](#footnote-ref-4)
5. Document No. 11424-2020, filed on October 21, 2020. [↑](#footnote-ref-5)
6. Order No. PSC-2020-0265-PAA-WS, issued July 27, 2020, in Docket No. 20190182-WS, *In re: Application to transfer facilities and Certificate No. 578-W from Sunny Shores Water Co. to Sunny Shores Utilities, LLC, in Manatee County.* [↑](#footnote-ref-6)
7. Document No. 11979-2020, filed on November 13, 2020. [↑](#footnote-ref-7)
8. Ibid. [↑](#footnote-ref-8)
9. Mileage rates were based on IRS standards, available at: https://www.irs.gov/newsroom/irs-issues-standard-mileage-rates-for-2021. [↑](#footnote-ref-9)
10. Ibid. [↑](#footnote-ref-10)
11. Order No. PSC-2021-0244-PAA-WS, issued July 6, 2021, in Docket No. 20210006-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.* [↑](#footnote-ref-11)
12. Document No. 11979-2020, filed on November 13, 2020. [↑](#footnote-ref-12)
13. Ibid. [↑](#footnote-ref-13)
14. Order No. PSC-2021-0107-PAA-WU, issued March 19, 2021, in Docket No. 20200168-WU, *In re: Application for staff assisted rate case in Polk County, and request for interim rate increase, by McLeod Gardens Utilities, LLC;* Order No. PSC-2021-0106-PAA-WS, issued March 17, 2021, in Docket No. 20200169-WS, *In re: Application for staff-assisted rate case in Lake County, and request for interim rate increase, by Lake Yale Utilities, LLC.*  [↑](#footnote-ref-14)
15. Order No. PSC-2019-0503-PAA-SU, issued November 25, 2019, in Docket No. 20180202-SU, *In re: Application for staff-assisted rate case in Polk County by West Lakeland Wastewater, LLC.* [↑](#footnote-ref-15)
16. Order No. PSC-2020-0396-PAA-WS, issued October 22, 2020, in Docket No. 20200152-WS, *In re: Application for a limited alternative rate increase proceeding in Polk and Marion Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, and East Marion Utilities, LLC.* [↑](#footnote-ref-16)
17. Order No. PSC-2020-0396-PAA-WS, issued October 22, 2020, in Docket No. 20200152-WS, *In re: Application for a limited alternative rate increase proceeding in Polk and Marion Counties, by Alturas Water, LLC, Sunrise Water, LLC, Pinecrest Utilities, LLC, and East Marion Utilities, LLC.* [↑](#footnote-ref-17)
18. Ibid. [↑](#footnote-ref-18)
19. Document No. 02561-2021, filed on March 3, 2021. [↑](#footnote-ref-19)
20. Order No. PSC-2020-0265-PAA-WS, issued July 27, 2020, in Docket No. 20190182-WS, *In re: Application to transfer facilities and Certificate No. 578-W from Sunny Shores Water Co. to Sunny Shores Utilities, LLC, in Manatee County.* [↑](#footnote-ref-20)
21. Document No. 11550-2020, filed on October 27, 2020. [↑](#footnote-ref-21)
22. Document No. 07819-2021, filed on July 13, 2021. [↑](#footnote-ref-22)
23. Document No. 02561-2021, filed on March 3, 2021. [↑](#footnote-ref-23)
24. Order No. PSC-2018-0446-FOF-SU, issued September 4, 2018, in Docket No. 20170141-SU, *In re: Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.* [↑](#footnote-ref-24)
25. Order Nos. PSC-2017-0428-PAA-WS, issued November 7, 2017, in Docket No. 20160195-WS, *In re: Application for staff-assisted rate case in Lake County by Lakeside Waterworks, Inc.* and PSC-2017-0113-PAA-WS, issued March 28, 2017, in Docket No. 20130105-WS, *In re: Application for certificates to provide water and wastewater service in Hendry and Collier Counties, by Consolidated Services of Hendry & Collier, LLC.* [↑](#footnote-ref-25)
26. Order No. PSC-2010-0553-TRF-WU, issued September 3, 2010, in Docket No. 20100038-WU, *In re: Application to implement a backflow maintenance program by Sunny Shores Water Co.* [↑](#footnote-ref-26)
27. *See* Order No. PSC-2020-0118-PAA-WS, issued April 20, 2020, in Docket No. 20190071-WS, In re: *Application for staff-assisted rate case in Polk County by Deer Creek RV Golf & Country Club, Inc*.; Order No. PSC-2018-0271-PAA-WS, issued May 30, 2018, in Docket No. 20160220-WS, In re: *Application for original water and wastewater certificates in Sumter County, by South Sumter Utility Company, LLC*. [↑](#footnote-ref-27)