

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: September 25, 2025

TO: Office of Commission Clerk (Teitzman)

FROM: Office of the General Counsel (Marquez, Farooqi) *SPS*
Division of Economics (Sibley) *EJD*
Office of Auditing and Performance Analysis (Mouring, Deamer) *CM*

RE: Docket No. 20250092-WS – Application for staff-assisted rate case in Putnam County, by St. Johns River Estates Utilities, LLC.

AGENDA: 10/07/25 – Regular Agenda – Participation at Discretion of Commission

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Fay

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

St. Johns River Estates Utilities, LLC (St. Johns or Utility) is a Class C water and wastewater utility serving approximately 100 customers in Putnam County, Florida. The Utility's service territory is located in the St. Johns River Water Management District. The Utility received Certificate Nos. 542-W and 470-S in 2020 after a system transfer.¹ The Florida Public Service Commission (Commission) last set the rates for this Utility's systems in a staff-assisted rate case (SARC) in 2000.² St. Johns applied for a SARC in Docket No. 20230131-WS, however, the

¹ Order No. PSC-2020-0454-PAA-WS, issued November 23, 2020, in Docket No. 20180214-WS, *In re: Application to transfer facilities and Certificate Nos. 542-W and 470-S in Putnam County from St. John's River Club Utility Company, LLC to St. Johns River Estates Utilities, LLC.*

² Order No. PSC-00-2500-PAA-WS, issued December 26, 2000, in Docket No. 20000327-WS, *In re: Application for staff-assisted rate case in Putnam County by Buffalo Bluff Utilities, Inc.*

application was denied after official acceptance because the Utility did not pay the filing fee on time.³ The Utility re-applied on January 30, 2024, but the SARC was ultimately denied because St. Johns had not submitted its latest Annual Report and had not paid its regulatory assessment fees.⁴

On July 14, 2025, St. Johns again filed an application for SARC pursuant to Section 367.0814, Florida Statutes (F.S.), and Rule 25-30.455, Florida Administrative Code (F.A.C.).⁵ Once an application is filed, staff has 30 days to either accept or deny the application after making an eligibility and application sufficiency determination pursuant to Sections 367.083 and 367.0814(1), F.S., and Rule 25-30.455(1), (4)–(5), F.A.C. Staff found St. Johns ineligible for a SARC and issued a Denial Letter on August 13, 2025, which was the 30th day.⁶

On August 28, 2025, St. Johns filed a Motion for Reconsideration.⁷ The Utility alleges its employee was out on medical leave for four weeks but was now getting caught up. The Utility further alleges that it is “now ready and able to engage [Commission] staff to complete this request.”

This recommendation addresses St. Johns’ Motion for Reconsideration. The Commission has jurisdiction over this matter pursuant to Chapter 367, including Section 367.0814, F.S.

³ Document No. 00363-2024, filed on January 29, 2024, in Docket No. 20230131-WS.

⁴ Order No. PSC-2024-0455-FOF-WS, issued October 18, 2024, in Docket No. 20230131-WS, *In re: Application for staff-assisted rate case in Putnam County, by St. Johns River Estates Utilities, LLC*.

⁵ Document No. 05657-2025, filed on July 14, 2025, in Docket No. 20250092-WS.

⁶ Document No. 07881-2025, filed on August 13, 2025, in Docket No. 20250092-WS.

⁷ Document No. 08519-2025, filed on August 28, 2025, in Docket No. 20250092-WS.

Discussion of Issues

Issue 1: Should the Commission grant St. Johns' Motion for Reconsideration?

Recommendation: No. Staff recommends that the Commission deny St. Johns' Motion for Reconsideration because St. Johns has failed to raise a point of fact or law that staff overlooked or failed to consider in issuing the Denial Letter. (Marquez)

Staff Analysis:

Law

Section 367.083, F.S., provides that “[w]ithin 30 days after receipt of an application . . . for which an official date of filing is to be established, the [C]ommission *or its designee shall* either” accept or reject the application.⁸ Additionally, pursuant to Section 367.0814(1), F.S., the Commission “may establish rules by which a water or wastewater utility . . . may request staff assistance for the purpose of changing its rates and charges.” The Commission has exercised the discretion afforded to it by Sections 367.083 and 367.0814, F.S., in promulgating Rule 25-30.455, F.A.C., to grant staff administrative authority to accept or deny SARC applications. This Rule contemplates denials on the bases of eligibility or application deficiency. Subsection (8) of the Rule permits an applicant to seek reconsideration of any such denials before the full Commission.

Thus, staff submits that in this circumstance the appropriate standard of review for reconsideration would be the same as that of a Commission order—whether the motion identifies a point of fact or law that was overlooked or that was failed to be considered in rendering the decision under review. *See e.g., Stewart Bonded Warehouse, Inc. v. Bevis*, 294 So. 2d 315 (Fla. 1974); *Diamond Cab Co. v. King*, 146 So. 2d 889 (Fla. 1962); *Pingree v. Quaintance*, 394 So. 2d 162 (Fla. 1st DCA 1981). It is not appropriate to reargue matters that have already been considered. *Sherwood v. State*, 111 So. 2d 96 (Fla. 3d DCA 1959); *citing State ex. rel. Jaytex Realty Co. v. Green*, 105 So. 2d 817 (Fla. 1st DCA 1958). Furthermore, a motion for reconsideration should not be granted “based upon an arbitrary feeling that a mistake may have been made, but should be based upon specific factual matters set forth in the record and susceptible to review.” *Stewart Bonded Warehouse, Inc.*, 294 So. 2d at 317.

St. Johns' Motion for Reconsideration

In its Motion for Reconsideration, St. Johns states that its employee was out on medical leave for four weeks but was now getting caught up. The Utility further alleged that it was “now ready and able to engage [Commission] staff to complete this request.”

Analysis

Eligibility requirements for a SARC are reflected in Rule 25-30.455(1), (4)(c), F.A.C. Specifically, an applicant must (1) have total gross annual operating revenues no more than

⁸ (emphasis added).

\$335,000 for water service or wastewater service (or \$670,000 on a combined basis); (2) have at least one year of experience operating the utility for which the rate increase is sought; (3) be in compliance with annual report filings pursuant to Rule 25-30.110(3)–(5), F.A.C.; (4) be up-to-date with all regulatory assessment fee payments or on an approved payment plan; and (5) allow for preliminary examination of the condition of the utility’s books and records. At issue here was the final prong of the eligibility analysis.

Staff made multiple attempts to reach St. Johns using a mixture of phone calls, voicemail messages, and e-mails in order to verify the condition of the Utility’s books and records. Staff called the Utility on July 22nd, July 23rd, July 25th, and August 5th. Staff left voicemail messages introducing themselves and explaining the reason for the calls on more than one occasion. In addition, staff e-mailed St. Johns for the purpose of obtaining the necessary information on July 23rd, twice on July 30th, and on August 8th. All contact attempts were made using the phone number and e-mail address on file with the Commission and provided in the application filing. However, the Utility was unresponsive. Staff was therefore unable to determine the current condition of St. Johns’ books and records. Staff also noted that when St. Johns was last audited in Docket No. 20230131-WS, auditing staff determined the Utility’s books and records were not in accordance with the National Association of Regulatory Utility Commissioners’ Uniform System of Accounts. Because of these circumstances, staff found St. Johns ineligible for a SARC and issued a Denial Letter on August 13, 2025 (which was the last day a decision could be made).⁹

In its Motion for Reconsideration, St. Johns does not allege any point of fact or law that was overlooked or that was failed to be considered in issuing the Denial Letter. The Utility states that its employee was out on medical leave for four weeks but was now getting caught up. At best, the Utility seeks to put forward new information not previously provided to staff in order to explain the lack of communication. However, this merely confirms the Utility’s own unresponsiveness during the time in question. The Denial Letter was not premised upon a mistaken belief that the unresponsiveness was intentional rather than unintentional. The Commission was required to either accept or deny the application by August 13, 2025, pursuant to Rule 25-30.455(4)(a), F.A.C. In addition, even if one estimates that the employee was out on medical leave for the four weeks prior to filing the Motion for Reconsideration, this would still suggest that the Utility received four of staff’s attempted communications during the week of July 21st but still did not respond.

St. Johns further asserts that it is “now ready and able to engage your staff to complete this request.” Upon receiving St. Johns’ Motion for Reconsideration on August 28th, staff e-mailed the Utility asking if it was available to discuss that afternoon. The Utility did not respond. On September 8th, staff left the Utility a voicemail message requesting to set up a time to discuss its motion and application for SARC. The Utility did not respond. On September 23rd, the Utility e-mailed and asked if the SARC could move forward. Staff replied by e-mail that the SARC could not proceed at this time and that the Motion for Reconsideration would be addressed by the Commission on October 7th. Staff also suggested in its reply e-mail that a call to discuss could be set up if St. Johns was interested. However, as of the date of this recommendation, the Utility

⁹ Document No. 07881-2025, filed on August 13, 2025, in Docket No. 20250092-WS.

has still not contacted auditing staff (whose contact information was provided numerous times) despite its assertion that it was “now ready and able to engage your staff to complete this request.” Thus, the same periodic unresponsiveness and lack of information continues.

Therefore staff believes that the Utility has failed to raise a point of fact or law that was overlooked or that was failed to be considered before issuing the Denial Letter, particularly when St. Johns was provided the maximum amount of time to respond permitted by statute. Staff believes it appropriately denied the application given these circumstances. As explained in the Denial Letter, when St. Johns is ready and able to engage staff in regular, timely, and ongoing communication, it may file a new application for a SARC.

Conclusion

Staff recommends denying St. Johns’ Motion for Reconsideration under the Commission’s traditional standard of review as the Utility has failed to raise a point of fact or law that was overlooked or not considered in issuing the Denial Letter.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon the issuance of a Final Order.
(Marquez, Farooqi)

Staff Analysis: Having denied St. Johns' Motion for Reconsideration, there are no remaining matters in this docket that the Commission must address. Therefore, this docket should be closed upon the issuance of a Final Order.