

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20240068-WS

Application for increase in water and wastewater
rates in Charlotte, Highlands, Lake, Lee, Marion,
Orange, Pasco, Pinellas, Polk, and Seminole Counties,
by Sunshine Water Services Company.

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 3

COMMISSIONERS
PARTICIPATING: CHAIRMAN MIKE LA ROSA
COMMISSIONER ART GRAHAM
COMMISSIONER GARY F. CLARK
COMMISSIONER ANDREW GILES FAY
COMMISSIONER GABRIELLA PASSIDOMO SMITH

DATE: Thursday, September 4, 2025

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

REPORTED BY: DEBRA R. KRICK
Court Reporter and Notary
Public in and for the State
of Florida at Large

PREMIER REPORTING
TALLAHASSEE, FLORIDA
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1 P R O C E E D I N G S

2 CHAIRMAN LA ROSA: Let's now move into -- back
3 to Item No. 3. I will let folks get settled there.

4 Mr. Sandy, my friend, you are recognized.

5 MR. SANDY: Yes, sir. Good morning, Mr.
6 Chairman and Commissioners. My name is Ryan Sandy
7 on behalf of the Office of General Counsel.

8 Item 3 is staff's recommendation on OPC's
9 motion for reconsideration of Sunshine's
10 application for an increase in water and wastewater
11 rates and a request for oral argument. Staff
12 believes that the pleadings are sufficient on their
13 face for the Commission to evaluate and rule on
14 OPC's motion. However, if you wish to exercise
15 your discretion to hear oral argument, we would
16 recommend that OPC and the utility are granted five
17 minutes.

18 Further, staff recommends that OPC's motion
19 should be granted and denied in part. Staff
20 recommends that two of OPC's proposed adjustments
21 to the revenue requirement should be granted. This
22 would result in a downward calculation of the
23 utility's revenue requirement by \$778 and \$880 for
24 the utility's water and wastewater systems.

25 Staff recommends that OPC has otherwise failed

1 to show where the Commission overlooked or failed
2 to consider a fact or law in rendering its decision
3 in this matter, therefore, in all other respects,
4 staff believes that OPC's motion should be denied.

5 Counsel for Sunshine and OPC are present to be
6 heard at your discretion. And obviously, staff is
7 available to answer any questions that you may
8 have.

9 CHAIRMAN LA ROSA: Great. Thank you.

10 Commissioners, obviously back in our hands.
11 Really, the first question before us is on oral
12 arguments. Any Commissioner feel that we should
13 hear oral arguments?

14 Commissioner Fay, you are recognized.

15 COMMISSIONER FAY: Thank you, Mr. Chairman.

16 I have some questions for staff, and then
17 maybe would like to give the opportunity for the
18 parties. I don't need oral argument necessarily,
19 but however you would want to take that up. If you
20 want them to address it up front, I am also okay
21 that.

22 CHAIRMAN LA ROSA: Sure. Here -- and I will
23 speak. I feel the record is fine, and I don't
24 necessarily need oral arguments. If your questions
25 spark more questions, maybe I have some, maybe

1 other Commissioners do. Commissioners, anyone
2 disagree with that?

3 Okay, let's go ahead and you are recognized,
4 sir, for a series of questions.

5 COMMISSIONER FAY: Okay. Great.

6 So I just want maybe legal to help me walk
7 through some of the process of the motion for
8 reconsideration. As a general matter, I, you know,
9 accept the recommendation as proposed as far as
10 denying in part and granting in part, but I know we
11 have seen a lot more motions for reconsideration
12 that the Commission has taken up. I just want to
13 make sure I understand the process mainly on the
14 last, I guess, error calculation, the part that the
15 recommendation says that we should grant.

16 So when we go through this process for the
17 calculations of any of these things built into
18 rates, if -- during that process post
19 recommendation, so I guess all the way up to
20 recommendation, staff will take in information
21 regarding the docket. But after that, if parties
22 recognize an error in the calculation, and not just
23 a debated interpretation of what should be included
24 or not, but a clear calculation error, or
25 scrivener's error, what's the process for that

1 being identified or maybe -- you know, I guess are
2 there two processes? One, it's brought to you, or
3 does sometimes staff catch that before we approve
4 the order?

5 MR. SANDY: Good morning, Commissioner Fay.

6 So not to sound like a lawyer, I think it
7 depends on the situation, though. Ultimately, if
8 it is a well-agreed upon mistake or miscalculation,
9 or if everyone agrees that there is something afoot
10 that needs to be addressed, we would hope that the
11 parties, whether it's the utilities or OPC or any
12 intervenor, would raise that for us.

13 I think at that point, it depends on the
14 nature of the calculation. If it is something that
15 the Commissioners have voted on, I believe
16 customarily we have used a motion for
17 reconsideration for addressing that. At the same
18 time, if it's a fallout issue, maybe there is some
19 flexibility in how that is handled. Certainly, I
20 would defer to Ms. Helton on matters such as that.

21 In this case, for what it is worth, or at
22 least in this matter, the calculations at issue,
23 the 778 and the 880 were raised after the
24 Commission's vote had taken place, which is why I
25 believe it was raised as a motion for

1 reconsideration.

2 COMMISSIONER FAY: Okay. And during that
3 process, before -- and I am just -- I am really
4 speaking to this rate case process. Not every
5 docket or agenda item we have before us, but in
6 that process, if that's identified, is there --
7 does staff have communication with the parties,
8 just like, do they -- are they given the
9 opportunity to identify that post recommendation
10 before the order?

11 MR. SANDY: Certainly I can't speak on behalf
12 of all staff. I can tell you, in my experience
13 there is a lot of communication with the utility
14 and the intervenors. And certainly, prior to a
15 Commission vote, if anything is raised, that is
16 certainly something we are not going to ignore, and
17 that's something that we would place in front of
18 the Commissioners ahead of your vote so that you
19 are informed as to what the situation is and what
20 the outcome would be.

21 COMMISSIONER FAY: Okay. Great.

22 Ms. Helton, did you want to add anything?
23 Your name was invoked, so I just want to give you
24 the opportunity in case --

25 MS. HELTON: I heard that.

1 Well, I agree with Mr. Sandy, that I think the
2 better course of action is always if a party or the
3 utility sees that there is an error in staff's
4 recommendation, to bring that to staff's attention
5 prior to your vote so that we can make that known
6 and it can be dealt with accordingly. And I guess
7 Ms. Crawford had something.

8 MS. CRAWFORD: Yeah. Along that lines, an
9 oral modification is possible prior to the vote, so
10 it is helpful to have that information prior to
11 your vote.

12 After your vote, our process has been, if it's
13 a true scrivener's error, we will -- we can correct
14 that in an amendatory order. But if it's something
15 material, affects parties' interests, I think,
16 unfortunately, at that point, a motion for
17 reconsideration is probably the best existing
18 vehicle to address that, so all affected parties
19 have an opportunity to weigh in on whether they
20 agree that there is an error, and what the
21 appropriate disposition should be.

22 COMMISSIONER FAY: Okay. And then maybe the
23 last question. This might be for technical, but
24 does the numbers -- I mean, I know OPC has brought
25 forward corrections that go upward also. I mean, I

1 think they have been really transparent about
2 trying to get these numbers as close to possible as
3 being accurate.

4 Is there -- do we look at, with these
5 adjustments for something like this, it doesn't
6 look like in the rec there is a rate impact
7 statement. Do we look to see if the numbers are
8 changed? There is a rate impact? Or how -- like,
9 how do we, I guess, make that determination?

10 MS. NORRIS: Absolutely. We rerun the Excel
11 file with the corrections. And for this one, for
12 instance, just the relative amount, you know, we
13 still went ahead and sent that on like we normally
14 would just to determine that there would be no
15 impact on rates. Again, that was the intuition
16 just on the amount originally, but we still run
17 through the process just to make sure, and we have
18 done that in some recent cases as well, to make
19 sure that if it did or did not have an impact on
20 rates.

21 COMMISSIONER FAY: Okay. So most of -- on the
22 water and wastewater side, you have the ability if
23 identified by one of the parties, maybe OPC, and,
24 for instance, they give you that information, you
25 have the ability to change the numbers and kind of

1 like what Ms. Crawford is talking about. There is
2 obviously fallout --

3 MS. NORRIS: Right.

4 COMMISSIONER FAY: -- when you adjust a
5 number, it might change a number of other --

6 MS. NORRIS: Yes.

7 COMMISSIONER FAY: -- things, but if the goal,
8 I think, collectively is to kind of try to get
9 those numbers as accurate as possible so you don't
10 have volatility in what the true-up --

11 MS. NORRIS: Right.

12 COMMISSIONER FAY: -- is for those, then it
13 seems like that makes sense. But you are able to
14 do that. You don't have to wait -- you don't have
15 to give that back out to the utility to then
16 recalculate and give back to you in most cases, is
17 that fair?

18 MS. NORRIS: We are not so much sending out
19 for recalculation. We have certainly before, like
20 the file has been requested by, say, the utility or
21 OPC prior to the correction or after the
22 correction, but for us to run that to see the
23 impact on rates, we don't need to send that out for
24 recalculation. We can do that all internally.

25 So that's, like, the process we followed with

1 this one, is adding that fix in there, the link
2 files that need to be corrected, and then we were
3 able to send that on in our normal internal process
4 to look to see if there would be an impact on
5 rates.

6 COMMISSIONER FAY: Okay. Great. Yeah, Mr.
7 Chairman, I would like to give maybe OPC and the
8 parties an opportunity to opine, if appropriate.

9 CHAIRMAN LA ROSA: Sure. Absolutely. Start
10 with OPC.

11 MR. REHWINKEL: Yes. Charles Rehwinkel with
12 the Office of Public Counsel.

13 Our preference is that any communications
14 after the record closes should be above board and
15 transparent. Our concern would be that
16 conversations are had that we don't know about, or
17 there is a dialogue. I am not saying anything
18 improper is happening, but we would like to know
19 about it, and that's why we -- we have -- we did --
20 in the Tampa Electric case, we did a motion for
21 clarification to do the same thing and actually
22 went up.

23 So we are trying to find a process where we
24 take issues that we spot when we spot them and
25 bring them to the Commission staff's attention. So

1 I don't know that there is a bright line and a
2 bright line process there, but our preference, if
3 the Commission is going to kind of formulate any
4 kind of how should we do this, is that it be with
5 notice to everybody.

6 Now, I am not saying in the past that we
7 haven't had unilateral conversations to relay an
8 error or not. I just don't know, so I can't say we
9 have always done it this way. But in recent times,
10 we have been filing paper so that people can see
11 that we think that there is an error, because it's
12 important that what you vote on gets translated
13 into the order and is recorded, whether it's in a
14 surveillance report or an annual report, as you
15 intended.

16 I don't know if that helps, but our preference
17 would be always that there be written
18 communications that parties, all parties, see.

19 COMMISSIONER FAY: Okay. And to that point,
20 if it's a calculation error, I want to be real
21 clear that I am distinguishing it from the debate
22 of, you know, an interpretation of some
23 calculation, right, maybe a 13-month, you know,
24 example would be a good one.

25 But if it's just a calculation error, it seems

1 like -- I guess, to your point, with the resources
2 and time that you have, a lot of time you are not
3 able to identify until maybe post order, I mean, is
4 that part of the process?

5 MR. REHWINKEL: Yes. What we do is our staff
6 goes and we try to check the math and make sure
7 that what's built into the revenue requirement is
8 consistent with the record and, you know, sometimes
9 it's a hit or miss thing. If we are swallowed up
10 in a bunch of other cases, we get to it when we
11 can, and so there is no sandbagging involved or
12 anything like that.

13 But math errors sometimes are a matter of
14 opinion too, because sometimes what we think is the
15 correct calculation, somebody else may think, well,
16 you didn't -- you didn't do your math the way you
17 should have, or you used the wrong assumption. So
18 it gets a little bit in a gray area.

19 But, again, we prefer that there be
20 transparency in any of these communications, both
21 from the parties to the staff or staff back to the
22 parties to say, hey, would you check this, and do
23 you think this is right?

24 COMMISSIONER FAY: Sure. And I think, to your
25 point, the example that I am discussing here is one

1 where all the parties would say, yes, we agree,
2 that calculation, you know, should be this or that,
3 you know, where something was added or subtracted
4 in a way it shouldn't have been. And so -- and I
5 think even just sometimes, to the extent we have
6 lots of formulas and you plug in those numbers and
7 something doesn't come out correctly, then I think
8 it would require a consensus. But I think if there
9 is one, it does seem like there are some
10 possibility to do it before the Commission puts the
11 order out and maybe save -- maybe create some
12 efficiencies.

13 I am acknowledging that that's not always
14 going to be the case and not always legitimate for
15 timing and resources, and that sort of thing. But
16 it does seem like there are some opportunities to
17 get this right. And when I say get it right, to
18 get it closer to what that number would be based on
19 the calculations.

20 But I -- you know, I support when staff puts
21 these forward like this, where they take the time
22 to review a calculation error and allow us to make
23 that change before the final order is put out with
24 these changes, and I think it's beneficial.

25 I just -- I want to be really mindful of, you

1 know, limited resources both within the Commission,
2 within the Office of Public Counsel, and the, you
3 know, ability to utilize those in the most
4 efficient manner, and so I think if there is ways
5 for us and the Commission -- and this is probably
6 more towards our staff than it is us Commissioners,
7 but to maybe work on these things before the order
8 gets out, it just might save a lot of paperwork and
9 filing, depending on what that issue is.

10 But I appreciate your comments, Mr. Rehwinkel,
11 and I acknowledge that there are absolutely
12 differences interpretation of these things that are
13 perfectly appropriate as a legal avenue to be
14 brought forward in a motion for reconsideration. I
15 just hope that there is some things that maybe on
16 the calculation side we could do in a more
17 efficient manner. I don't know if Mr. --

18 CHAIRMAN LA ROSA: Yeah, I would like to hear
19 if the company has got any further discussion.

20 MR. FRIEDMAN: Good morning. Marty Friedman
21 on behalf of Sunshine Water Services.

22 Typically, what I advise a client, when we get
23 the original staff recommendation, is to do just
24 that. Look at it, if you have any -- if you see
25 any clear mathematical errors, that kind of stuff

1 we ought to bring to the attention of the staff so
2 that if they agree, and Public Counsel doesn't
3 object, then we can put it in the rec, as
4 mentioned, an information oral modification to the
5 staff recommendation, and get it done before the
6 Agenda Conference to issue the PAA order, or in
7 this case, a final order.

8 So typically, we do the same -- I do the same
9 thing that Charles just mentioned, and we try to be
10 ahead of the ballgame instead of doing it after the
11 order is entered, we try to get that information if
12 we know about those mathematical errors, like this
13 one, to bring it to the attention before the Agenda
14 so that we don't have to go through a rehearing
15 just on something that everybody agrees to anyway.

16 CHAIRMAN LA ROSA: Commissioners, any further
17 questions or discussions?

18 Open for a motion.

19 COMMISSIONER FAY: Okay. With that, Mr.
20 Chairman, I would move to approve staff
21 recommendation on all issues on Item No. 3.

22 COMMISSIONER CLARK: Second.

23 CHAIRMAN LA ROSA: Hearing a motion and
24 hearing a second.

25 All those in favor signify by saying yay.

1 (Chorus of yays.)

2 CHAIRMAN LA ROSA: Yay.

3 Opposed no?

4 (No response.)

5 CHAIRMAN LA ROSA: Show Item No. 3 passes.

6 Thank you for all that were here.

7 Commissioner Fay, good questions on that.

8 (Agenda item concluded.)

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1 CERTIFICATE OF REPORTER


2 STATE OF FLORIDA)
3 COUNTY OF LEON)
4

5 I, DEBRA KRICK, Court Reporter, do hereby
6 certify that the foregoing proceeding was heard at the
7 time and place herein stated.

8 IT IS FURTHER CERTIFIED that I
9 stenographically reported the said proceedings; that the
10 same has been transcribed under my direct supervision;
11 and that this transcript constitutes a true
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13 I FURTHER CERTIFY that I am not a relative,
14 employee, attorney or counsel of any of the parties, nor
15 am I a relative or employee of any of the parties'
16 attorney or counsel connected with the action, nor am I
17 financially interested in the action.

18 DATED this 23rd day of September, 2025.
19

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21 
22 DEBRA R. KRICK
23 NOTARY PUBLIC
24 COMMISSION #HH575054
25 EXPIRES AUGUST 13, 2028