



September 30, 2025

**VIA ELECTRONIC FILING**

Mr. Adam J. Teitzman  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

In re: Petition by Sunshine Water Services Company for Establishment of an  
Approved AFUDC Rate

Dear Mr. Teitzman:

Attached for filing in the above-styled matter is the Petition of Sunshine Water  
Services Company for Establishment of an Approved AFUDC Rate.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Wahlen', with a stylized flourish extending to the right.

J. Jeffrey Wahlen

JJW/dh  
Attachment

DOCKET NO. 20250120-WS

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FILED 9/30/2025  
DOCUMENT NO. 14063-2025  
FPSC - COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Sunshine Water Services  
Company for Establishment of an  
Approved AFUDC Rate

DOCKET NO. 20250XXX-WS

FILED: SEPTEMBER 30, 2025

**PETITION TO APPROVE AFUDC RATE**

Pursuant to Chapter 367, Florida Statutes, and Rule 25-30.116, Florida Administrative Code, Sunshine Services Water Company (“SWS” or the “company”) by and through its undersigned attorneys, requests that the Florida Public Service Commission (“Commission”) approve 7.90 percent (7.90%) as its allowance for funds used during construction (“AFUDC”) rate effective as of January 1, 2025, and states:

**I. Introduction**

1. SWS is a water and wastewater utility as defined by Section 367.021(12), Florida Statutes, and is not exempt from regulation by the Commission pursuant to Section 367.022, Florida Statutes. SWS may implement an approved AFUDC change only with the approval of the Commission under the criteria established in Rule 25-30.116.

2. The calculation of the company’s proposed 7.90 percent AFUDC rate is set out in the attached supporting Schedules and is calculated in accordance with the requirements of Rule 25-30.116.

3. The calculation reflects the return on equity approved for the company in its last rate case. The other capital structure amounts and rates are shown and described on the attached schedules.

4. Approval of the proposed 7.90 percent AFUDC rate is necessary for SWS to accurately accrue and recover its costs of providing safe and reliable water and wastewater services to its customers for calendar year 2025 and forward.

**II. Supporting Schedules Attached Pursuant to Rule 25-30.116(5)**

5. **Schedule A** shows the capital structure, cost rates, and weighted average costs of capital that form the basis for the AFUDC rate calculated in accordance with the provisions of Rule 25-30.116(2).

6. **Schedule B** shows the capital structure adjustments and adjusted capital structure that form the basis for the AFUDC rate calculated in accordance with the provisions of Rule 25-30.116(2).

7. **Schedule C** shows the calculation of the methodology set out in Rule 25-30.116.

**III. Other Information**

8. This petition represents an original pleading. The company is not responding to any proposed agency action.

9. The name and address of the Petitioner is:

Sunshine Water Services Company  
200 Weathersfield Avenue  
Altamonte Springs, FL 32714-4099

10. All pleadings, motions, notices, orders, or other documents filed in this proceeding or required to be served upon SWS should be served upon the following individuals:

J. Jeffry Wahlen  
[jwahlen@ausley.com](mailto:jwahlen@ausley.com)  
Matthew J. Jones  
[mjones@ausley.com](mailto:mjones@ausley.com)  
Ausley McMullen  
123 S. Calhoun Street.  
Tallahassee, FL 32301-1517  
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Seán Twomey  
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Jacquee Sillitoe  
[Jacquee.Sillitoe@sunshinewater.com](mailto:Jacquee.Sillitoe@sunshinewater.com)  
Sunshine Water Services Company  
200 Weathersfield Avenue  
Altamonte Springs, FL 32714-4099  
(866) 842-8432

11. The ultimate facts that entitle SWS to the relief requested in this Petition are set forth in paragraphs 1 through 7, above.

12. To the best of the company's knowledge, this Petition initiates a proceeding that does not involve disputed issues of material facts.

13. SWS is entitled to the relief requested pursuant to Chapters 367 and 120, Florida Statutes.

WHEREFORE, Sunshine Water Services Company requests that this Commission establish 7.90 percent as its allowance for funds used during construction rate effective as of January 1, 2025.

DATED this 30<sup>th</sup> day of September, 2025.

Respectfully submitted,



J. JEFFRY WAHLEN

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ATTORNEYS FOR SUNSHINE WATER  
SERVICES COMPANY

## **SCHEDULE A**

| <b>Description</b>                | <b>Amount</b>                | <b>% of<br/>Total</b> | <b>Cost<br/>Rate</b> | <b>Weighted<br/>Cost</b> |
|-----------------------------------|------------------------------|-----------------------|----------------------|--------------------------|
| (1) Long-Term Debt                | \$ 69,530,209                | 35.37%                | 5.72%                | 2.02%                    |
| (1) Short-Term Debt               | \$ 30,094,411                | 15.31%                | 6.73%                | 1.03%                    |
| (2) Customer Deposits             | \$ 67,883                    | 0.03%                 | 2.00%                | 0.00%                    |
| (1) Common Equity                 | \$ 94,773,733                | 48.21%                | 10.05%               | 4.85%                    |
| (2) Deferred Tax Liabilities      | \$ 1,179,177                 | 0.60%                 | 0.00%                | 0.00%                    |
| (2) Tax Credits - Zero Cost       | \$ 11,909                    | 0.01%                 | 0.00%                | 0.00%                    |
| (2) Excess Deferred Tax Liability | <u>\$ 930,735</u>            | <u>0.47%</u>          | <u>0.00%</u>         | <u>0.00%</u>             |
| Total                             | <u><u>\$ 196,588,056</u></u> | <u><u>100.00%</u></u> |                      | <u><u>7.90%</u></u>      |

(1) The Common Equity, Long-Term Debt, and Short-Term Debt amounts used in Schedule B are derived from the Common Equity, Long-Term Debt, and Short-Term Debt of Nexus Regulated Utilities, LLC

(2) The Customer Deposits, Tax Credits, and Deferred Income Taxes amounts used in Schedule B are derived specifically from the Customer Deposits, Tax Credits, and Deferred Income Taxes of Sunshine Water Services Company

## SCHEDULE B

|                                | Jan-24         | Feb-24         | Mar-24         | Apr-24         | May-24         | Jun-24         | Jul-24         | Aug-24         | Sep-24         | Oct-24         | Nov-24         | Dec-24         | 12-Month Average | Reconciling<br>Adjustments | Capital<br>Structure |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------------------|----------------------|
| Common Equity:                 | \$ 427,230,805 | \$ 427,393,275 | \$ 423,557,059 | \$ 423,864,759 | \$ 426,261,429 | \$ 489,189,219 | \$ 491,654,155 | \$ 493,934,884 | \$ 495,795,121 | \$ 496,926,609 | \$ 495,480,249 | \$ 563,665,090 | \$ 471,246,055   | \$ (376,472,322)           | \$ 94,773,733        |
| Long-Term Debt - Fixed:        | \$ 315,754,539 | \$ 315,764,778 | \$ 315,775,017 | \$ 315,785,256 | \$ 162,284,635 | \$ 162,289,692 | \$ 153,294,748 | \$ 153,299,805 | \$ 153,304,862 | \$ 153,309,919 | \$ 153,314,976 | \$ 153,320,032 | \$ 208,958,188   | \$ (166,933,969)           | \$ 42,024,219        |
| Long-Term Debt - Variable:     | \$ 112,307,006 | \$ 149,828,450 | \$ 149,849,893 | \$ -           | \$ 152,453,738 | \$ 153,616,308 | \$ 153,686,416 | \$ 153,756,525 | \$ 153,826,633 | \$ 153,896,742 | \$ 153,966,851 | \$ 154,036,959 | \$ 136,768,793   | \$ (109,262,804)           | \$ 27,505,990        |
| Short-Term Debt:               | \$ 60,000,000  | \$ 45,000,000  | \$ 52,000,000  | \$ 208,720,683 | \$ 221,742,367 | \$ 154,467,908 | \$ 172,512,331 | \$ 177,556,754 | \$ 174,601,176 | \$ 184,645,599 | \$ 199,690,022 | \$ 144,734,444 | \$ 149,639,274   | \$ (119,544,863)           | \$ 30,094,411        |
| Customer Deposits:             | \$ 331,603     | 334,731        | 335,915        | 341,187        | 341,983        | 340,509        | 341,328        | 336,136        | 334,710        | 329,787        | 340,728        | \$ 341,830     | \$ 337,537       | \$ (269,654)               | \$ 67,883            |
| Deferred Income Taxes:         | \$ 5,790,484   | \$ 5,796,373   | \$ 5,803,279   | \$ 5,810,126   | \$ 5,816,962   | \$ 5,823,881   | \$ 5,831,187   | \$ 5,837,288   | \$ 5,843,609   | \$ 5,843,959   | \$ 5,850,169   | \$ 6,311,710   | \$ 5,863,252     | \$ (4,684,076)             | \$ 1,179,177         |
| Tax Credits - Zero Cost:       | \$ 60,279      | \$ 60,082      | \$ 59,886      | \$ 59,690      | \$ 59,493      | \$ 59,297      | \$ 59,101      | \$ 58,904      | \$ 58,708      | \$ 58,512      | \$ 58,512      | \$ 58,119      | \$ 59,215        | \$ (47,306)                | \$ 11,909            |
| Excess Deferred Tax Liability: | \$ 4,772,259   | \$ 4,746,015   | \$ 4,719,772   | \$ 4,693,528   | \$ 4,667,285   | \$ 4,641,041   | \$ 4,614,798   | \$ 4,588,554   | \$ 4,562,311   | \$ 4,536,067   | \$ 4,509,824   | \$ 4,483,580   | \$ 4,627,919     | \$ (3,697,184)             | \$ 930,735           |
| Total:                         |                |                |                |                |                |                |                |                |                |                |                |                | \$ 977,500,234   | \$ (780,912,178)           | \$ 196,588,056       |

## SCHEDULE C

### Monthly AFUDC Rate

$$M = [(1 + A/100)^{1/12} - 1] * 100$$

Where:

M = discounted monthly AFUDC Rate

A = annual AFUDC rate

$$M = [(1 + 7.9/100)^{1/12} - 1] * 100$$

$$M = 0.00635634 * 100$$

$$M = 0.635634$$