

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20250092-WS

Application for staff-assisted rate
case in Putnam County, by St. Johns
River Estates Utilities, LLC.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 3

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

DATE: Tuesday, October 7, 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: All right. My friends,
3 let's move to Item No. 3. We will allow Mr.
4 Marquez to get settled.

5 My friend, you are recognized when you are
6 ready.

7 MR. MARQUEZ: Good morning, Mr. Chairman and
8 Commissioners.

9 St. Johns River Estates Utilities, LLC, is a
10 Class C water and wastewater utility that submitted
11 an application for a staff-assisted rate case on
12 July 14th of this year. The application was denied
13 on August 13th, the statutory deadline, because the
14 utility's unresponsiveness made it impossible for
15 staff to complete the eligibility assessment. In
16 particular, staff could not complete a preliminary
17 examination of the current condition of the
18 utility's books and records.

19 St. Johns filed a motion for reconsideration,
20 alleging that its employee was on medical leave for
21 four weeks, but that it was now ready and able to
22 engage staff to complete this request. Your staff
23 made two additional attempts thereafter to reach
24 the utility and discuss its application, without
25 success. And as of today, St. Johns has still not

1 called or emailed auditing staff to complete the
2 eligibility assessment.

3 By statute, the Commission was required to
4 either accept or deny the SARC application within
5 30 days of being filed, which your staff did on the
6 30th day. The utility has not pointed to a fact or
7 law that was overlooked or that was failed to be
8 considered in issuing the denial letter because it
9 was not issued on a mistaken belief that the
10 unresponsiveness was intentional or unintentional;
11 nor does the utility contest any of the numerous
12 attempts your staff has made to contact it.

13 The lack of information that initially
14 resulted in the application denial continues to
15 this day. We are at roughly 85 days since the
16 initial SARC application was filed, and we still
17 don't have the information that we need to proceed.
18 Therefore, staff believes that the denial was
19 appropriate, and that the utility's motion should
20 be denied.

21 The utility knows when -- or the utility knows
22 best when it will be ready for auditing staff to
23 call and to respond to those calls, and it is free
24 to refile at any time to give itself a fresh 30-day
25 clock.

1 Staff is available to answer any of your
2 questions. Thank you.

3 CHAIRMAN LA ROSA: Awesome. Thank you, Mr.
4 Marquez. And I think you answered part of my
5 question, right. So in the staff recommendation,
6 it said Sept -- on September 23rd, you still had no
7 communications from the utility. In your summary,
8 you said that there is, as of this date. So I am
9 just going to assume -- make the assumption that in
10 the last two weeks or so, there has not been any
11 communications.

12 MR. MARQUEZ: That's correct, sir.

13 CHAIRMAN LA ROSA: So to make sure I
14 understood that correctly.

15 Okay. So Commissioners, so why did this get
16 pulled? I pulled this, right. In my heart, I
17 think I have a soft spot for some of these
18 companies, right. 100 clients in -- customers
19 inside this SARC, or inside this utility, which is
20 obviously utilizing the SARC process.

21 I believe the SARC process is intended for
22 small water utilities to be able to move through
23 the rate case process. Staff has done nothing
24 wrong. They have done a phenomenal job. They have
25 kept up with this company; obviously, made numerous

1 attempts to try to contact them. There was -- I
2 think the reasoning was that there was someone at
3 the company at one point in time was out sick, and
4 administratively they couldn't get the information
5 they needed, and that was, you know, partly their
6 reason of why they didn't communicate back with
7 staff. It sounds like there is still a challenge
8 as far as a gap in them communicating to us.

9 My question, I guess, to staff, is this, is
10 that if this was deferred and we give this company
11 a, basically a final warning saying, we have done
12 everything we can regulatorily, statutory, we have
13 abided by statutory requirements. It has gone now
14 before our commission. Our commission has -- I am
15 not saying that we have decided this, but this is
16 what I want to talk about, is that our commission
17 has deferred decision until we get communication to
18 you and a final decision will be next month. Is
19 that a possibility and does that -- I guess, are we
20 violating statute if we were to do that?

21 MR. MARQUEZ: Mr. Chairman, if we defer the
22 matter, since the operative question is did we have
23 the information that we needed within the 30 days
24 and was there a mistake that was committed in that
25 time period? Even if we gave the utility

1 additional time at this point to reach out, our
2 recommendation when we come before you again would
3 still be the same, that given the standard of
4 review, staff did not make a mistake of fact or law
5 when it issued the original denial letter.

6 Had the utility contacted us, or, you know,
7 even returned one of my calls, I could have
8 explained that the better course of action, if they
9 wanted to move forward, would be to just refile,
10 because then at that point, we would not need to
11 wait for the reconsideration process to play out.

12 In this circumstance, if the Commission were
13 to grant a deferral and the utility reaches out to
14 us tomorrow, we would still need to wait to come
15 back at the next Agenda, November, to even start;
16 whereas, if the utility just refiles because it
17 indicates it's now ready to engage us, we could get
18 started tomorrow.

19 CHAIRMAN LA ROSA: Okay. If -- I guess, what
20 challenges, or what additional work would be
21 required that would have to basically -- would be
22 of them if they had to basically start over? So if
23 we denied this, if we went with staff's
24 recommendation, denied them today, maybe start
25 over, let's say tomorrow, they called us after this

1 meeting, what would they have to do? How much work
2 is it on their hands to be able to catch up to
3 where they are today?

4 MR. MARQUEZ: So the amount of extra work, if
5 you want to refer to it --

6 CHAIRMAN LA ROSA: Yes.

7 MR. MARQUEZ: -- or conceptualize that, is not
8 a lot. It is not unduly burdensome. What the
9 utility would do is they would presumably take the
10 same exact application that they filed. The data
11 would not be stale yet. So they would just sign
12 the signature page with a new date. They would
13 e-file just like they e-filed this one, and that
14 would be it. That's the amount of work that the
15 utility needs to do. It's not a lot.

16 CHAIRMAN LA ROSA: So no additional
17 calculations or anything on their end that would
18 require them to go out to a third party or find
19 some other resources?

20 MR. MARQUEZ: That's correct.

21 CHAIRMAN LA ROSA: Okay.

22 MR. MARQUEZ: Other than, again, at that
23 point, hopefully returning auditing staff's calls,
24 but other than that, no other difficulties.

25 CHAIRMAN LA ROSA: Okay. Commissioners --

1 thank you very much. And again, just to reiterate.
2 I think staff has done a phenomenal job, and I
3 think they have done the right thing.

4 At the end of the day, I believe SARCs are,
5 again, are intended, like I said earlier, to help
6 small water companies. This is 100 unit -- 100
7 customer water system. It's very small. I can
8 understand, being a small business owner myself,
9 many times over that how you might not have the
10 help you need administratively. It might be one
11 person's, you know, one-tenth of their job to
12 follow what's happening.

13 Based on what I have heard from staff today, I
14 feel comfortable accepting the recommendation and
15 voting in favor of this. My hope is that water
16 companies that fall into this same boat, fall into
17 this same caveat, utilize this process. I think
18 our staff is very good at what they do to help move
19 the ball down the field for them.

20 I just don't ever want someone -- I just don't
21 want to ever be accused from a government
22 perspective of saying, man, we are just not helping
23 small business. I don't think that's the case
24 hear. I think it's clear as day, as there is a
25 failure, for whatever that reason be, on this water

1 company. So I am okay approving what staff has
2 recommended. Sorry for the long-winded approach.

3 Commissioner Clark.

4 COMMISSIONER CLARK: Yeah, I was just going to
5 follow up with that. I agree with your comments
6 100 percent, Mr. Chairman, but I do have a
7 question.

8 We are acting on a motion that was requested
9 by the utility company. Didn't they file the
10 motion to reconsider at some point in this, so they
11 are aware of what's happening, yet still are not
12 being responsive to our request for information.
13 Is that kind of a fair characterization?

14 MR. MARQUEZ: That is accurate. And we
15 understand the confusion. We were confused as
16 well.

17 COMMISSIONER CLARK: Make sure. Thanks.

18 CHAIRMAN LA ROSA: Excellent.

19 Commissioner Fay?

20 COMMISSIONER FAY: I just have a similar
21 comment to Commissioner Clark. When Mr. Marquez
22 mentioned there was no communication. Well, why do
23 we have a motion for reconsideration in front of
24 us, right? And when you look at the letter that
25 they sent, I mean, it's extremely brief, and I

1 would imagine, you know, to your point, Mr.
2 Chairman, that the hundred customers, these
3 businesses are hard to run, and we have talked a
4 lot about, you know, acquisitions and scaling, and
5 things that might improve this service. I have got
6 concerns if they won't respond to Mr. Marquez, I
7 can only imagine what the customers are dealing
8 with.

9 And so, you know, hopefully we will get this
10 refiled in the right way, and our staff will be
11 able to look at it and move forward appropriately.
12 But I agree with you, Mr. Chairman, our staff did
13 everything beyond, I think, what historically
14 people would perceive an agency doing. I mean,
15 they have -- beyond auditing, our legal department
16 has spent time reaching out to these individuals to
17 try to make this work so they at least have the
18 right information to make an analysis, and still
19 haven't received that information back. And when
20 the response is that somebody has been out four
21 weeks, that doesn't align with the facts that are
22 presented to us.

23 So otherwise, I think, to me, it almost would
24 have been better if they didn't file a motion for
25 reconsideration and allowed this to go away and

1 then refile based on the data that we have. Mr.
2 Marquez says that data is still appropriate to file
3 a SARC in the future. So, yeah, I am, you know,
4 pretty frustrated with this, which it sounds like
5 some of us are too.

6 But if maybe there is ways to improve this
7 communication with the utilities that have
8 situations like this, that would be great. I am
9 not suggesting AI would be an answer to this, but
10 if somebody did, I would be interested for hear
11 that conversation.

12 But, yeah, I think this -- we understand they
13 might need some relief, but there is obviously a
14 communication level that needs to occur with this
15 agency and our staff. So I appreciate you pulling
16 it off the agenda, Mr. Chairman. I couldn't agree
17 more with you that we are not trying to stand in
18 the way of what these entities are doing, but if
19 it's not done right, and there is no communication,
20 it's really hard for our agency to do their job, so
21 thank you for pulling this.

22 CHAIRMAN LA ROSA: Absolutely. And thank you
23 for your comments.

24 Any further comments? Excellent.

25 Commission staff, good job, again, just

1 reiterating everything that was said. I many times
2 felt like I am looking for the government to assist
3 and they are not, but that's not the case here. I
4 think, again, we have been more than ready to help
5 them.

6 So, Commissioner Clark, a question or -- all
7 right, open for a motion.

8 COMMISSIONER CLARK: Move to deny the motion
9 for reconsideration, Mr. Chairman.

10 COMMISSIONER PASSIDOMO SMITH: Second.

11 CHAIRMAN LA ROSA: Hearing a motion and
12 hearing a second.

13 All those in favor signify by saying yay.

14 (Chorus of yays.)

15 CHAIRMAN LA ROSA: Yay.

16 Opposed no?

17 (No response.)

18 CHAIRMAN LA ROSA: Show Item No. 3 passes as
19 recommended by staff.

20 Excellent. Thank you.

21 So it's a few minutes before 10 o'clock.

22 Let's go ahead and kind of reshuffle the deck. We
23 have got a Special Agenda after this. Let's
24 convene that meeting at exactly 10 o'clock.

25 Thank you.

1 (Agenda item concluded.)

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DATED this 22nd day of October, 2025.


DEBRA R. KRICK
NOTARY PUBLIC
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