

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: December 10, 2025

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: Matthew Vogel, Chief of Surveillance & Rate Filings, Division of Accounting & Finance *MV*

RE: Docket No. 20250052-WS - Application for increase in water and wastewater rates in Brevard, Citrus, Duval, Highlands, Marion, and Volusia Counties by CSWR-Florida Utility Operating Company.

Please place the attached correspondence into above mentioned docket file.

MV:adt
attachment

April Teichler

From: Matthew Vogel
Sent: Wednesday, December 10, 2025 4:07 PM
To: April Teichler
Subject: FW: 20250052 CSWR MFR Question

Please file the following into the 20250052 docket. Thanks

From: Aaron Silas <asilas@cswrgroup.com>
Sent: Wednesday, December 10, 2025 2:14 PM
To: Kate McClelland <KMCClell@psc.state.fl.us>
Cc: Matthew Vogel <MVogel@PSC.STATE.FL.US>; Daniel Dose <ddose@psc.state.fl.us>; Jennifer Augspurger <JAugspur@psc.state.fl.us>
Subject: Re: 20250052 CSWR MFR Question

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Ms. McClelland,

Thank you for your email and for summarizing the differences between the October 15, 2025 and November 24, 2025 MFR filings. The changes you identified are the result of model corrections and refinements, as described below.

Aquarina – Potable and Non-Potable

In the original October 15 filing, the MFR model was not correctly pulling the Regulatory Commission Expense (Account 667) from the GL detail. This under-stated O&M in both the potable and non-potable Aquarina schedules, and therefore the associated revenue requirement. In connection with the Fourth Deficiency Supplement, the model link to Account 667 was corrected so that the MFRs now reflect the full regulatory expense, which increases both O&M and the requested revenues for Aquarina Potable and Aquarina Non-Potable.

Sunshine – Unified / Ponderosa Pines and Quail Run

For the Sunshine systems, the differences arise from updates to the “Adjustments to Operating Income” section. In the updated November 24 MFRs, two separate adjustments were corrected:

a Customer Billing Cost adjustment of –\$15,553, and

a Property Insurance adjustment of +\$34,664.

These updated adjustments better reflect how those costs should be treated and allocated for the Sunshine systems. The net impact is a modest reduction in the overall operating expense adjustment compared to the original filing, which in turn explains the small changes in O&M and requested revenues for Sunshine – Unified and Sunshine – Ponderosa Pines and Quail Run.

Tradewinds – Water

For Tradewinds Water, the Company was required to refund \$138,147 to a customer. That refund adjustment was reflected in both versions of the MFRs, but in the October 15 filing it was placed in the “Requested Revenue Adjustment” column of the income statement instead of in the “Test Year Adjustments” column. In the November 24 filing, this adjustment was moved to the proper test-year column. Correcting the placement of that refund changes how the model calculates the revenue requirement and associated expenses, which is why the requested revenues increase and the O&M changes slightly due to the recalculated Regulatory Assessment Fee (RAF) that is tied to revenues.

Please let me know if you have any questions/concerns with the above!

Aaron Silas
Assistant VP, Customer Experience & Regulatory Operations
Central States Water Resources, Inc.
1-314-380-8510

From: Kate McClelland <KMCClell@psc.state.fl.us>
Sent: Tuesday, December 9, 2025 10:05 AM
To: Aaron Silas <asilas@cswrgroup.com>
Cc: Matthew Vogel <MVogel@PSC.STATE.FL.US>; Daniel Dose <ddose@psc.state.fl.us>; Jennifer Augspurger <JAugspur@psc.state.fl.us>
Subject: 20250052 CSWR MFR Question

Good morning Aaron,

As discussed on the phone, we observed some differences in the MFRs filed October 15, 2025, and the MFRs filed November 24, 2025. The changes observed are listed below:

Aquarina – Potable

Requested Revenues went from 308,898 to \$328,871

O&M went from \$87,670 to \$107,643

Aquarina – Non-Potable

Requested revenues of \$358,819 increased to \$378,792

O&M went from \$185,569 to \$205,542

Sunshine – Unified

Requested Revenues went from \$2,650,411 to \$2,613,210

O&M went from \$1,551,402 to \$1,514,200

Sunshine – Ponderosa Pines and Quail Run

Requested Revenues went from \$286,033 to \$289,151

O&M went from \$151,629 to \$154,748

Tradewinds – Water

Requested Revenues went from \$163,845 to \$308,501


O&M went from \$209,025 to \$215,535

As stated on the call, we are seeking an explanation for the above changes.

Thank you,

KATE L. MCCLELLAND

Public Utilities Supervisor
Division of Accounting and Finance
Florida Public Service Commission

 850.413.6814

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