

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: February 19, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Engineering (Lewis, Ramos, Smith II) *TB*
Division of Accounting and Finance (Bardin, McClelland) *MC*
Division of Economics (Bethea, Bruce) *EB*
Office of the General Counsel (Farooqi) *JSC*

RE: Docket No. 20240136-SU – Application for grandfather certificate to operate wastewater utility in Citrus County, by Indian Springs Utilities, Inc.

AGENDA: 03/03/26 – Regular Agenda – Proposed Agency Action for Issues 3 – 5 - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Payne

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On May 28, 2024, the Board of County Commissioners of Citrus County (County) adopted Resolution No. 2024-040 (Resolution), transferring regulation of the privately-owned, for profit water and wastewater utilities in Citrus County to the Florida Public Service Commission (Commission). Effective upon the adoption of the Resolution, all non-exempt water and wastewater systems in Citrus County became subject of the provisions of Chapter 367, Florida Statutes (F.S.). By Order No. PSC-2024-0267-FOF-WS, the Commission acknowledged the Resolution.¹

¹ Order No. PSC-2024-0267-FOF-WS, issued July 25, 2024, in Docket No: 20240095-WS, *In re: Resolution of the Board of County Commissioners of Citrus County declaring Citrus County subject of the provisions of Sections 367, F.S.*

Pursuant to Section 367.171(2)(b), F.S., each utility engaged in the operation or construction of a system shall be entitled to receive a certificate for the area served by such utility on the day the chapter becomes applicable to the utility. On September 3, 2024, Indian Springs Utilities, Inc. (Indian Springs or Utility) filed an application for a certificate under grandfather rights to provide wastewater service in Citrus County pursuant to Section 367.171(2), F.S., and Rule 25-30.035, Florida Administrative Code (F.A.C.). Indian Springs' initial application was found to be deficient. Staff issued six deficiency letters between September 19, 2024 and December 30, 2025.² The Utility cured the deficiencies on February 17, 2026, which is considered the official filing date.

Indian Springs was established in 1984 and provides wastewater service to approximately 185 (182 residential and three commercial) customers. Water service is provided by the City of Crystal River. The Utility's service area is located in the Southwest Florida Water Management District. This recommendation addresses the application for a grandfather wastewater certificate and rates and charges. The Commission has jurisdiction pursuant to Section 367.171, F.S.

² Document Nos. 09451-2024, filed October 9, 2024; 00997-2025, filed February 17, 2025; 03853-2025, filed May 22, 2025; 09485-2025, filed September 12, 2025; 14926-2025, filed November 4, 2025; 15567-2025, filed December 30, 2025.

Discussion of Issues

Issue 1: Should Indian Springs Utilities, Inc.’s application for a grandfather wastewater certificate in Citrus County be acknowledged?

Recommendation: Yes. Indian Springs’ application should be acknowledged and the Utility should be granted Certificate No 588-S, effective May 28, 2024, to serve the territory described in Attachment A. The resultant order should serve as Indian Springs’ certificate and should be retained by the Utility. (Lewis, Bardin, Farooqi)

Staff Analysis:

Legal Standard

Under Section 367.171(2)(b), F.S., on the day a county declares it is subject to the provisions of Chapter 367, any utility engaged in the operation or construction of a non-exempt water or wastewater system shall be entitled to receive a certificate for the area served by the utility. Within 90 days after the day this chapter becomes applicable to it, the utility shall make application for a grandfather certificate. The filing requirements for a grandfather application are set forth in Rule 25-30.035, F.A.C.

Analysis

The Utility’s application for a certificate under grandfather rights to provide wastewater service in Citrus County is in compliance with Section 367.171(2)(b), F.S., and Rule 25-30.035, F.A.C. An adequate service territory description and system maps were provided. The Utility has its own treatment facilities, and the application contains a warranty deed as proof of ownership of the land on which the Utility’s facilities are located as required by Rule 25-30.035(11), F.A.C. A description of the Utility’s territory is provided in Attachment A.

As stated in the case background, Indian Springs serves approximately 185 wastewater customers. The Utility does not currently have any outstanding citations, violations, or consent orders on file with the Florida Department of Environmental Protection.

The Utility is aware of its obligation to submit its 2025 Annual Report pursuant to Rule 25-30.110, F.A.C., and is also aware of its obligation to pay regulatory assessment fees pursuant to Rule 25-30.120, F.A.C. In addition, the Utility is aware that it must maintain its books and records according to the National Association of Regulatory Utility Commissioners’ Uniform System of Accounts.

Conclusion

Based on the above, staff recommends that Indian Springs be granted Certificate No. 588–S to serve the territory described in Attachment A. The resultant order should serve as Indian Springs’ certificate and should be retained by the Utility.

Issue 2: What rates, charges, and deposits should be approved for Indian Springs?

Recommendation: Of the Utility's rates, charges, and deposits that were in effect when Citrus County transferred jurisdiction to the Commission, only the rates, charges, and initial customer deposits shown in Schedule No. 1 are appropriate and should be approved. In addition, the Utility's existing premises visit, late payment, and NSF charges should be approved. These charges, as well as the rates and initial customer deposit shown in Schedule No. 1, should be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets. The Utility should be required to charge the approved rates, charges and deposits until authorized to change them by this Commission in a subsequent proceeding. (Bethea)

Staff Analysis: Citrus County Water and Wastewater Authority approved the Utility's current monthly water and wastewater rates by Final Order No. 23-04 on August 14, 2023. The county-approved final order and existing tariff sheets were provided in support of the Utility's authorized rates. The wastewater rates include a base facility charge and per 1,000 gallonage charge with a 6,000 gallonage cap. Additionally, the Utility's rates also include a fixed bulk rate for multi-residential service. The Utility's charges have been in effect since the Utility was acquired by the existing owner. Indian Springs' charges consist of miscellaneous service and service availability charges, which include a service availability policy. In addition, the Utility has customer deposits. Staff believes that the Utility's current rates and the service availability charges are reasonable, with the exceptions of the miscellaneous service charges. The miscellaneous service charges are not consistent with Commission rules and staff recommends they be modified in Issue 4.

Staff recommends that of the Utility's rates, charges, and deposits that were in effect when Citrus County transferred jurisdiction to the Commission, only the rates, charges, and initial customer deposits shown in Schedule No. 1, are appropriate and should be approved. In addition, the Utility's existing premises visit, late payment, and NSF charges should be approved. These charges, as well as the rates, and initial customer deposit shown in Schedule No. 1, should be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to charge the approved rates, charges and deposits until authorized to change them by this Commission in a subsequent proceeding.

Issue 3: Should the Utility's current terms of payment be revised to conform to Rule 25-30.335(6), F.A.C.?

Recommendation: Yes. The Utility's current terms of payment should be revised to conform to Rule 25-30.335(6), F.A.C. The Utility should file revised tariff sheets to reflect the appropriate terms of payment pursuant to Rule 25-30.335(6), F.A.C. The approved tariffs should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. In addition, the tariff sheets should be approved upon staff's verification that the tariffs are consistent with the Commission's decision and that the proposed customer notice is adequate. (Bethea)

Staff Analysis: The Utility's current wastewater tariff indicates that a customer residing in Florida will become delinquent if their bill is not paid within 16 days, while a non-Florida resident has 21 days to pay their bill before becoming delinquent. However, Rule 25-30.335(6), F.A.C., states that a utility may not consider a customer delinquent in paying his or her bill until the 21st day after the utility has mailed or presented the bill for payment.

Based on the above, staff recommends that the Utility's methodology of billing a customer be revised to conform to Rule 25-30.335(6), F.A.C. The Utility should file revised tariff sheets to reflect the appropriate terms of payment pursuant to Rule 25-30.335(6), F.A.C. The Utility should be required to file a proposed customer notice to reflect the revised terms of payment. The approved tariffs should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. In addition, the tariff sheets should be approved upon staff's verification that the tariffs are consistent with the Commission's decision and that the proposed customer notice is adequate.

Issue 4: What are the appropriate miscellaneous service charges for Indian Springs Utilities, Inc.?

Recommendation: With the exception of the Utility’s existing premises visit, late payment, and NSF charges (which are recommended for approval in Issue 2), the appropriate miscellaneous service charges shown on Table 4-2 and should be approved. The Utility should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475, F.A.C. In addition, the tariff sheets should be approved upon staff’s verification that the tariffs are consistent with the Commission’s decision and that the proposed customer notice is adequate. (Betha)

Staff Analysis: The Utility did not request to revise its existing miscellaneous service charges. Section 367.091, F.S., authorizes the Commission to establish, increase, or change a rate or charge other than monthly rates or service availability charges. Staff recommends that some of the Utility’s existing charges that are set forth in Table 4-1, be revised to conform to Rule 25-30.460, F.A.C. As discussed in Issue 2, the Utility’s existing premises visit, late payment, and NSF charges should be approved without modification, but are shown below for illustrative purposes. The Utility’s current miscellaneous service charges consist of various charges and are shown on Table 4-1.

Table 4-1
Indian Springs Utilities, Inc.
Existing Miscellaneous Service Charges

	<u>Existing Wastewater</u>
Initial Connection Fee	\$15.00
Normal Reconnection Fee	\$45.00
Violation Reconnection Fee	\$45.00
Premises Visit Fee	\$45.00
Late Payment Fee	\$5.00
NSF/Returned Check Fee	Pursuant to Section 68.065(2), F.S.

Source: Utility’s current tariff and response to staff’s deficiencies.

Premises Visit and Violation Reconnection Charge

As shown on Table 4-1, the Utility’s existing miscellaneous service charges consists of two charges which are obsolete. Rule 25-30.460, F.A.C., does not allow for initial connection and normal reconnection charges.³ The initial connection and normal reconnection tasks are subsumed within the definition of the premises visit charge. In addition, pursuant to Commission rule, violation reconnection charges are at actual cost for wastewater. As a result, the violation reconnection should be at actual cost pursuant to Rule 25-30.460, F.A.C. Based on the above, staff recommends the violation reconnection charge at actual cost for wastewater.

³ Order No. PSC-2021-0201-FOF-WS, issued June 4, 2021, in Docket No. 20200240-WS, *In re: Proposed amendment of Rule 25-30.460, F.A.C., Application for Miscellaneous Service Charges.*

Table 4-2
Indian Springs Utilities, Inc.
Staff Recommended Miscellaneous Service Charges

	<u>All Hours</u>
Premises Visit	\$45
Violation Reconnection Charge	Actual Cost
NSF Check Charge (Wastewater)	Pursuant to Section 68.065, F.S.
Late Payment Charge	\$5.00

Conclusion

Based on the above, the Utility’s existing premises visit, late payment, and NSF charges remain unchanged and are recommended for approval in Issue 2, and are shown above for illustrative purposes. The Utility should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(2), F.A.C. In addition, the tariff sheets should be approved upon staff’s verification that the tariffs are consistent with the Commission’s decision and that the proposed customer notice is adequate.

Issue 5: Should this docket be closed?

Recommendation: If no person whose substantial interests are affected by the proposed agency action portion of this recommendation files a protest within 21 days of the issuance of the order, a consummating order should be issued. The docket should remain open for staff's verification that the staff-approved notice has been provided to customers and the revised tariff sheets have been filed by the Utility and approved by staff. Once this action is complete, this docket should be closed administratively. (Farooqi)

Staff Analysis: If no person whose substantial interests are affected by the proposed agency action portion of this recommendation files a protest within 21 days of the issuance of the order, a consummating order should be issued. The docket should remain open for staff's verification that the staff-approved notice has been provided to customers and the revised tariff sheets have been filed by the Utility and approved by staff. Once this action is complete, this docket should be closed administratively.

DESCRIPTION OF TERRITORY SERVED

Indian Springs Utilities, Inc.

Citrus County

Commence at the SW Corner of Section 08, Township 18 South, Section 17 East located in Citrus County, Florida, thence bearing S 86-11-05.95 W a distance of 111.62 feet to the Point of Beginning; thence bearing N 88-9-49.332 E a distance of 1826.781 feet ; thence bearing S 37-30-37.208 E a distance of 122.997 feet ; thence bearing N 88-5-47.017 E a distance of 591.541 feet ; thence bearing S 23-23-13.816 E a distance of 454.000 feet ; thence bearing S 88-3-42.714 W a distance of 494.901 feet ; thence bearing N 33-46-51.633 W a distance of 211.558 feet ; thence bearing S 56-13-17.162 W a distance of 196.351 feet ; thence bearing N 31-31-5.421 W a distance of 252.524 feet ; thence bearing S 88-4-25.771 W a distance of 990.027 feet ; thence bearing S 57-6-7.301 W a distance of 454.794 feet ; thence bearing N 73-22-30.774 W a distance of 236.669 feet ; thence bearing S 51-47-1.643 W a distance of 139.770 feet ; thence bearing S 1-5-0.267 W a distance of 237.875 feet ; thence bearing S 52-39-37.689 W a distance of 311.777 feet ; thence bearing N 64-39-3.616 W a distance of 340.863 feet ; thence bearing S 74-26-13.055 W a distance of 207.438 feet ; thence bearing S 29-35-10.536 W a distance of 367.962 feet ; thence bearing S 89-2-50.672 W a distance of 497.574 feet ; thence bearing N 27-14-7.607 W a distance of 141.737 feet ; thence bearing N 0-5-50.483 W a distance of 952.801 feet ; thence bearing N 89-45-43.572 E a distance of 209.938 feet ; thence bearing N 0-16-35.978 W a distance of 1334.554 feet ; thence bearing N 89-25-45.627 E a distance of 1186.075 feet ; thence bearing N 0-11-11.120 W a distance of 335.100 feet ; thence bearing N 89-25-45.734 E a distance of 129.999 feet ; thence bearing S 0-11-11.309 E a distance of 626.244 feet ; thence bearing N 88-11-28.777 E a distance of 459.929 feet ; thence bearing S 0-5-27.785 E a distance of 380.171 feet ; thence bearing S 88-11-28.683 W a distance of 444.434 feet ; thence along a curve to the LEFT, having a radius of 1551.498 feet, a delta angle of 23° 20' 41.87", and whose long chord bears S 8-0-9.262 W a distance of 627.789 feet to the point of beginning.

FLORIDA PUBLIC SERVICE COMMISSION

**authorizes
Indian Springs Utilities, Inc.
pursuant to
Certificate Number 588-S**

to provide wastewater service in Citrus County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rules, Regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

Order Number	Date Issued	Docket Number	Filing Type
*	*	20240136-WS	Grandfather Certificate

*Order Number and date to be provided at time of issuance.

**Indian Springs Utilities, Inc.
Existing Monthly Wastewater Rates**

Residential (RS), Multi- Residential (MS), and General Service

Base Facility Charge by Meter Size

5/8" x 3/4"	\$27.13
3/4"	\$40.72
1"	\$67.87
1 1/2"	\$135.74
2"	\$217.19
3"	\$434.38
4"	\$678.72
6"	\$1,357.45

Charge Per 1,000 gallons – Residential (RS), and Multi- Residential (MS)
6,000 Gallon Cap \$4.49

Charge Per 1,000 gallons – General Service
No Gallon Cap

Flat Rate – Bulk \$1,357.45

Miscellaneous Service Charges

Premises Visit Charge	\$45.00
NSF Check Charge	Pursuant to Section 68.065, F.S.
Late Payment Charge	\$5.00

Service Availability Charges

Main Extension Charge	
Residential – Per ERC (GPD)	\$200.00
Plant Capacity Charge	
Residential – Per ERC (GPD)	\$300.00