

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for grandfather certificate to
operate water utility in Citrus County, by
Cinnamon Ridge Utilities, Inc.

DOCKET NO. 20240126-WU
ORDER NO. PSC-2026-0097-PAA-WU
ISSUED: April 22, 2026

The following Commissioners participated in the disposition of this matter:

GABRIELLA PASSIDOMO SMITH, Chairman
GARY F. CLARK
MIKE LA ROSA
BOBBY PAYNE
ANA ORTEGA

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING REVISED CHARGES,
DEPOSITS, AND TERMS OF PAYMENT
AND
FINAL ORDER ACKNOWLEDGING GRANDFATHER APPLICATION,
GRANTING WATER CERTIFICATE 695-W, AND CONTINUING EXISTING
RATES, LATE PAYMENT CHARGES, AND SYSTEM CAPACITY CHARGES

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature—except with regard to acknowledging the grandfather application, granting Certificate No. 695-W, and continuing existing rates, late payment charges, and system capacity charges—and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

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 us. 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, we acknowledged the Resolution.¹

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, commonly known as a “grandfather certificate.” On August 19, 2024, Cinnamon Ridge Utilities, Inc. (Cinnamon Ridge or Utility) filed an application for a grandfather certificate to provide water service in Citrus County pursuant to Section 367.171(2), F.S., and Rule 25-30.035, F.A.C. Commission staff found the Utility’s initial application to be deficient and issued a deficiency letter on September 13, 2024.² Cinnamon Ridge cured all deficiencies on February 9, 2026.³

Cinnamon Ridge was established on February 10, 1982, and currently provides water service to approximately 286 customers, with a projected customer base of approximately 450 customers when the territory is fully developed. Wastewater service is provided by individual septic systems. The Utility’s service area is located in the Southwest Florida Water Management District. This Order addresses the application for a grandfather water certificate and rates and charges. We have jurisdiction pursuant to Section 367.171, F.S.

DECISION

1. Acknowledgment of Application for Grandfather Water Certificate

The Utility’s application for a grandfather certificate to provide water service in Citrus County, as amended and supplemented through February 9, 2026, 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 filed a quit claim 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 contained in Attachment A to this Order, which is incorporated by this reference.

As stated in the Background section of this Order, Cinnamon Ridge currently provides water service to approximately 286 residential customers, with a projected customer base of approximately 450 customers when the territory is fully developed. The Utility does not currently have any outstanding citations, violations, or consent orders on file with the Florida Department of Environmental Protection.

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.*

² Document No. 08997-2024, filed September 13, 2024, in Docket No. 20240126-WU, *In re: Application for grandfather certificate to operate water utility in Citrus County, by Cinnamon Ridge Utilities, Inc.*

³ Document No. 04030-2025, filed May 29, 2025; Document No. 11293-2025, filed September 17, 2025; Document No. 11295-2025, filed September 17, 2025; Document No. 01009-2026, filed February 9, 2026, in Docket No. 20240126-WU, *In re: Application for grandfather certificate to operate water utility in Citrus County, by Cinnamon Ridge Utilities, Inc.*

The Utility is aware of its obligation to submit its 2026 Annual Report pursuant to Rule 25-30.110, F.A.C., and is also aware of its obligation to pay regulatory assessment fees (RAFs) pursuant to Rule 25-30.120, F.A.C. During the pendency of this docket, the Utility filed its 2025 Annual Report and paid its 2025 RAFs. 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.

Based on the foregoing, we hereby acknowledge Cinnamon Ridge's application and grant Cinnamon Ridge Certificate 695-W, effective May 28, 2024, to serve the territory described in Attachment A. This Order shall serve as the Utility's certificate and shall be retained by the Utility.

2. Rates, Late Payment Charge, and Service Capacity Charge

The Citrus County Water and Wastewater Authority (CCWWA) approved the Utility's current monthly rates by Final Order 23-07 on September 19, 2023. The monthly water rates consist of a base facility charge and a four-tier inclining block rate structure.

Cinnamon Ridge has an initial customer deposit of \$125, which is two and a half times the average monthly bill. Cinnamon Ridge's water charges consist of miscellaneous service and service availability charges. The miscellaneous service charges were established by Final Order 18-06 on November 5, 2018, and are provided by a third-party vendor. Some of the miscellaneous service charges and the amount of the initial customer deposit are not consistent with applicable statutes and rules. Therefore, the Utility shall modify the deposit and miscellaneous service charges as set forth in the sections of this Order that follow.

The Utility's late payment charge shall remain unchanged. In addition, Cinnamon Ridge has system capacity charges and a meter installation charge. We address the Utility's requested increase in its meter installation charge below.

We find that, of Cinnamon Ridge's rates, charges, and deposits that were in effect when CCWWA transferred jurisdiction to the Commission, only the rates, late payment charge, and system capacity charges shown on Schedule No. 1 are appropriate and, therefore, are approved. The rates and charges shown in Schedule No. 1 shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets. The Utility shall be required to charge the approved rates and charges shown in Schedule No. 1 until authorized to change them by us in a subsequent proceeding.

3. Initial Customer Deposits

Rule 25-30.311, F.A.C., contains criteria for collecting, administering, and refunding customer deposits. Rule 25-30.311(1), F.A.C., requires that each company's tariff shall contain its specific criteria for determining the amount of initial deposits. The Utility currently charges initial customer deposits of \$125, which is equal to two and a half times an average monthly bill based on average consumption for the residential 5/8 inch x 3/4 inch meter size.

Rule 25-30.311(7), F.A.C., authorizes utilities to collect new or additional deposits from existing customers, not to exceed an amount equal to the average actual charge for water and/or wastewater service for two billing periods for the 12-month period immediately prior to the date of notice. The two billing periods reflect the lag time between the customer's usage and the Utility's collection of the revenues associated with that usage. Our practice is to set initial customer deposits equal to two months' bills based on the average consumption for a 12-month period for each class of customers. Based on the billing determinants and average residential bills provided by the Utility, we find that the anticipated average residential usage will be approximately 6,905 gallons per month for water. Consequently, the average residential monthly bill will be approximately \$45 for water service.

Based on the above, we find that the appropriate initial customer deposit for the residential 5/8 inch x 3/4 inch meter size shall be \$90. The initial customer deposit for all other residential meter sizes and all general service meter sizes shall be two times the average estimated bill. The approved initial customer deposits shall be effective for service rendered on or after the stamped approval date on the tariff pursuant to Rule 25-30.475, F.A.C. Cinnamon Ridge shall be required to collect the approved deposits until authorized to change them by us in a subsequent proceeding.

4. Miscellaneous Service Charges

We are authorized by Section 367.091, F.S., to establish, increase, or change a rate or charge other than monthly rates or service availability charges. Some of Cinnamon Ridge's existing charges shall be revised to conform to application statutes and rules. The Utility's existing miscellaneous service charges that shall be revised are shown below in Table 1.

Table 1
Cinnamon Ridge's Existing Miscellaneous Service Charges

	<u>Existing Charges</u>
Initial Connection Charge	\$300.00
Normal Reconnection Charge	\$25.00
Violation Reconnection	\$100.00
Premises Visit Charge	\$55.00
Returned Payment Checks	\$40.00
Tampering Fee	\$200.00 Plus Actual Cost to Repair Damage

a. Initial Connection, Normal Reconnection Charge, Violation Reconnection Charge, and Premises Visit Charge

Pursuant to Rule 25-30.460, F.A.C., "initial" and "reconnection" charges are obsolete and are subsumed in the definition of the premises visit charge. Therefore, the initial and reconnection charges shall be removed. In the past, when conforming the charges to the rule, we have made the premises visit the higher of the initial connection, normal reconnection, or

premises visit charges, which would be the initial connection charge of \$300. However, the Utility's existing initial connection charge is higher than what we have approved in the past.

As mentioned in Section 3 of this Order, the miscellaneous service charges are provided by a third-party vendor. When the Utility's miscellaneous service charges are provided by a third-party vendor, a cost justification is typically not required. However, in this case, it was necessary to evaluate the costs embedded in the initial connection charge, so Commission staff reached out to Cinnamon Ridge for a cost justification of the third-party charges. Based on the cost justification provided of the miscellaneous service charges, the initial connection charge includes the cost of a meter and its installation. As a result, we find it appropriate to leave the premises visit charge at \$55. The definition for the premises visit charge shall be updated to comply with Rule 25-30.460, F.A.C.

Cinnamon Ridge is requesting that the violation reconnection charge be revised. The Utility provided an invoice indicating that the third-party charges \$140 to remove the meter for a delinquent account. Once the account is paid, a subcontractor reinstalls the meter for a return charge of \$70. Therefore, we find it appropriate to increase the violation reconnection charge to \$210 (\$140 + \$70).

b. NSF Check Charge

Cinnamon Ridge currently has a returned check charge of \$40.00. The Utility's returned check charges shall be amended to comply with Section 68.605, F.S., which sets forth allowable charges for the collection of worthless checks, drafts, or orders of payment. As currently set forth in Section 68.065(2), F.S., the following NSF charges may be assessed.

- 1) \$25, if the face value does not exceed \$50
- 2) \$30, if the face value exceeds \$50 but does not exceed \$300
- 3) \$40, if the face value exceeds \$300
- 4) or 5 percent of the face amount of the check, whichever is greater.

c. Tampering or Prohibited Connection or Use Charge

As shown on Table 1, Cinnamon Ridge has a tampering charge of \$200 plus actual cost. Rule 25-30.320(2)(j), F.A.C., provides that a Utility may refuse or discontinue service without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of such service, the Utility, before restoring service, may require the customer to make at his own expense all changes in piping or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the deficiency in revenue resulting from the customer's fraudulent use before restoring service. Based on the above, we discontinue Cinnamon Ridge's tampering charge of \$200 plus actual cost, and instead approve a tampering charge solely at actual cost.

Table 2
Commission-Approved Miscellaneous Service Charges

Premises Visit	\$55
Violation Reconnection Charge	\$210
Tampering Charge	Actual Cost
NSF Check Charge	Pursuant to Section 68.065, F.S.

d. Conclusion

Based on the above, we approve the revisions to miscellaneous service charges shown on Table 2. The Utility shall file a proposed customer notice to reflect these approved charges. The approved charges shall 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 shall be approved upon Commission staff's verification that the tariffs are consistent with our decision and that the proposed customer notice is adequate.

5. Terms of Payment

The Utility's current water tariff indicates that the account of a customer residing in Florida will become delinquent if the bill is not paid within 16 days, while a non-Florida resident has 21 days to pay their bill before the account becomes 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 bill has mailed or presented for payment

Accordingly, the Utility's current terms of payment shall be revised to conform to Rule 25-30.335(6), F.A.C. Cinnamon Ridge shall file revised tariff sheets to reflect the appropriate terms of payment pursuant to Rule 25-30.335(6), F.A.C. The approved tariffs shall 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 shall be approved upon Commission staff's verification that the tariffs are consistent with our decision and that the proposed customer notice is adequate.

6. Meter Test Deposits

The Utility's water tariff indicates meter test deposits of \$65 for 5/8 inch x 3/4 inch to 1 1/2 inch meter sizes and actual costs for 2 inch meter sizes and over. However, Cinnamon Ridge may not exceed meter test deposits pursuant to Rule 25-30.266(2)(a), F.A.C., shown below on Table 3.

Table 3
Current Meter Test Deposits

Meter Size	Fee
5/8" x 3/4"	\$20.00
1 1/2"	\$25.00
2" and over	Actual Cost of Test

Therefore, the appropriate meter test deposits shall be revised pursuant to Rule 25-30.266(2)(a), F.A.C. The Utility shall file a revised tariff sheet to reflect the appropriate meter test deposits pursuant to Rule 25-30.335(6), F.A.C. The approved tariff shall 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 sheet shall be approved upon staff's verification that the tariffs are consistent with our decision and that the proposed customer notice is adequate.

7. Meter Installation Charge

According to Cinnamon Ridge's water tariff, the current meter installation charge is \$250 for the 5/8 inch x 3/4 inch meter size and actual costs for all other meter sizes. As previously mentioned, the Utility's charges are provided by a third-party vendor. Based on information provided by the Utility, the cost to install a new 5/8 inch x 3/4 inch meter at a residence where there is no previous service is \$395. This charge is based on the cost and labor to install a meter.

Based on our review of the information provided by Cinnamon Ridge, we approve a \$395 meter installation charge for the 5/8 inch x 3/4 meter size and actual costs for other meter sizes. Cinnamon Ridge shall file a tariff sheet and a proposed customer notice. The Utility shall provide notice to potential customers who have requested service within 12 calendar months prior to the month the application was filed, and up until the Order becomes final. The approved charge shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet. Cinnamon Ridge shall provide proof of the date notice was given within 10 days of the date of notice.

8. Tap-in Charge

Currently, Cinnamon Ridge does not have an approved tap-in charge. A tap-in charge is designed to recover the cost of the line extending from the customer's property to the meter. Cinnamon Ridge indicated that it incurs substantial costs for these new connections because a significant number lines are located behind the property. As mentioned in Section 2 of this Order, the Utility's charges are provided by a third-party vendor. At the request of Commission staff, Cinnamon Ridge provided a proposal by Suncoast Plumbing, which contains a breakdown of its charges to connect a meter to a line located behind a customer's property. The proposal stated that new connections involve digging up and installing a saddle valve on the main water line behind property, installing a new meter with curator in meter box, and performing labor with a tractor, at a total cost of \$1,470. As discussed in the Section 6 of this Order, the cost to install a

meter is \$395. Therefore, removing the cost of the meter installation results in \$1,075 for the tap-in charge.

Therefore, we approve a tap-in charge of \$1,075. Cinnamon Ridge shall file a tariff sheet and a proposed customer notice. The Utility shall provide notice to potential customers who have requested service within 12 calendar months prior to the month the application was filed, and up until the Order becomes final. The approved charge shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet. Cinnamon Ridge shall provide proof of the date notice was given within 10 days of the date of notice.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Cinnamon Ridge Utilities, Inc.'s grandfather application is hereby acknowledged and Cinnamon Ridge Utilities, Inc. is granted Certificate No. 695-W, effective May 28, 2024, to serve the territory described in Attachment A. This Order shall serve as Cinnamon Ridge Utilities, Inc.'s certificate and shall be retained by Cinnamon Ridge Utilities, Inc. It is further

ORDERED that Cinnamon Ridge Utilities, Inc.'s existing rates, late payment charges, and system capacity charges as shown on attached Schedule No. 1 are approved. These charges shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets. Cinnamon Ridge Utilities, Inc. shall charge the rates and charges shown in Schedule No. 1, until authorized to change them by us in a subsequent proceeding. It is further

ORDERED that the revised miscellaneous service charges, initial customer deposits, terms of payment, meter test deposits, meter installation charges, and tap-in charge are approved as set forth herein. Cinnamon Ridge Utilities, Inc. shall file a proposed customer notice to reflect the Commission-approved charges for its water system. The approved charges shall 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(2), F.A.C. In addition, the tariff sheets shall be approved upon Commission staff's verification that the tariffs are consistent with our decision and that the proposed customer notice is adequate. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that this docket shall remain open for Commission staff's verification that notice has been provided to customers, and the revised tariff sheets have been filed by the Utility and approved by staff. Once these actions are complete, this docket shall be closed administratively.

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DOCKET NO. 20240126-WU
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By ORDER of the Florida Public Service Commission this 22nd day of April, 2026.



ADAM CEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

SPS

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our action herein, except with regard to acknowledging the grandfather certificate, granting Certificate 695-W, and continuing existing rates, late payment charges, and system capacity charges, is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 13, 2026. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Any party adversely affected by the Commission's final action in this matter may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Office of Commission Clerk and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

DESCRIPTION OF TERRITORY SERVED

Cinnamon Ridge Utilities, Inc.
Citrus County

Section 6, Township 19 South, Range 18 East, Citrus County, Florida

The Northeast quarter except for 100 feet from the North boundary line of Section 6

And

The Southeast quarter except for the Northeast quarter of the Southeast quarter

And

The South half of the Southwest quarter

And

The South half of the Southeast quarter of the Northwest quarter of the Southwest quarter

FLORIDA PUBLIC SERVICE COMMISSION

**authorizes
Cinnamon Ridge Utilities, Inc.
pursuant to
Certificate Number 695-W**

to provide water service in Citrus County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rule, 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.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-2026-0097-PAA-WU	4/22/26	20240126-WU	Grandfather Certificate

**Cinnamon Ridge Utilities, Inc.
Existing Water Rates**

Residential and General Service

Base Facility Charge by Meter Size

5/8" X 3/4"	\$28.89
3/4"	\$42.08
1"	\$71.85
1-1/2"	\$143.70
2"	\$229.94
3"	\$459.90
4"	\$718.59
6"	\$1,436.73

Charge per 1,000 gallons

0 to 5,000 gallons	\$2.24
5,001 to 10,000 gallons	\$2.35
10,001 to 15,000 gallons	\$2.44
All Usage above 15,000 gallons	\$2.54

Miscellaneous Service Charges

Late Payment Charge	\$10.00
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Service Availability Charges

System Capacity Charge	
Single Family Residence – Per ERC (350 GPD)	\$300.00
Mobile Home – Per ERC (250 GPD)	\$300.00
All Others	\$300.00