

STATE OF FLORIDA

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# Public Service Commission

April 23, 2026

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## STAFF'S THIRD DATA REQUEST *via email*

**Re: Docket No. 20250136-WS - Petition for an acquisition adjustment for a non-viable utility, by CSWR-Florida Utility Operating Company, LLC.**

Dear Ms. Clark and Mr. Crabb:

By this letter, the Commission staff requests that CSWR-Florida Utility Operating Company (CSWR) provide responses to the following data requests:

1. What are the annual operation and maintenance (O&M) savings, if any, Rolling Oaks Utilities, Inc. (Rolling Oaks), a has experienced resulting from Central States Water Resources – Florida's (CSWR-FL) acquisition for the first three years (by year) of its ownership as a percentage of Rolling Oaks' pre-acquisition O&M cost?<sup>1</sup>
2. What are the annual capital cost-related savings, if any, Rolling Oaks has experienced resulting from CSWR-FL's acquisition for the first three years (by year) of its ownership as a percentage of Rolling Oaks' pre-acquisition capital cost?<sup>2</sup>
3. Is there any specific tax benefit(s) CSWR-FL (or parent) will avail itself of associated with approval of the acquisition adjustment in this case? If so, please detail the specific benefit(s) and any associated value amount.
4. Please show the complete calculation of the estimated customer bill impacts on a consolidated CSWR-FL basis and non-consolidated basis, i.e., stand-alone company basis.

<sup>1</sup> For the purposes of this data request, Rolling Oaks' pre-acquisition O&M cost period is the full calendar year preceding the year of acquisition.

<sup>2</sup> For the purposes of this data request, Rolling Oaks' pre-acquisition capital cost period is the full calendar year preceding the year of acquisition.

Please refer to CSWR-Florida Utility Operating Company, LLC (CSWR-FL or Utility) *response to Staff's First Data Request*, filed February 18, 2026 for the following requests.<sup>3</sup>

5. Please provide a detailed description of all negotiations that led to the final purchase price. Your response should include, at a minimum:
  - a. Identification of the party that established the initial proposed purchase price (e.g., the seller's asking price or CSWR-FL's initial offer).
  - b. Each subsequent offer and counteroffer exchanged between the parties.
  - c. The rationale for any changes in price during negotiations.
  - d. An explanation of how the final purchase price was determined.
  - e. To the extent available, please provide supporting documentation for each stage of the negotiation process.
  
6. In response to Question 29 of Staff's First Data Request, the Utility stated that there were no documented communications between Utility executives/Utility staff and the acquired utility regarding acquisition premium justification. Please clarify whether this response includes communications related to purchase price negotiations.
  - a. If communications related to purchase price negotiations were excluded from the Utility's prior response, please provide all such communications between Utility executives/Utility staff and the acquired utility concerning the negotiation of the purchase price.
  - b. If no communications exist regarding purchase price negotiations, please explain in detail whether any negotiations occurred and, if so, why no documentation exists.
  - c. If no negotiations occurred, please explain why the purchase price was accepted without further negotiation.

Please refer to CSWR-Florida's Petition, page 31, section 3E. Ability to attract capital at reasonable cost for the following requests.

7. Please explain CSWR-Florida's understanding of the term "ability to attract capital at reasonable cost" as described in Rule 25-30.0371(3)(a)5., Florida Administrative Code. In the explanation, please define the term "reasonable."
  
8. Does CSWR (CSWR-Florida's parent company) have a credit rating? If yes, please provide a description.

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<sup>3</sup> Document No. 01170-2026, filed on February 18, 2026.

9. On page 31 of the Petition, CSWR-Florida mentions a \$325 million debt facility obtained by CSWR.
  - a. Please provide a copy of the documents describing the terms, including the interest rate, associated with the \$325 million debt facility.
  - b. Please describe in detail of how much of the \$325 million debt facility will be allocated to CSWR-Florida. Please include specific dollar amounts as well as percentages of the total.
10. Please refer to witness Thies direct testimony in Docket No. 20250052-WS. On page 29, witness Thies testified that CSWR-Florida has incurred \$3.94 million of net operating losses since January 2025. Have those losses grown, and if so, what is the net operating losses as of March 31, 2026?
11. If CSWR-Florida is incurring net operating losses, please describe how CSWR-Florida is able to pay the interest expense on its debt.

Please refer to paragraph 13 on page 25 of the Petition. Here it states that CSWR-Florida plans to pursue debt financing from non-affiliated commercial sources that would allow it to balance its internal capital structure.

12. Please define the term “to balance the capital structure” as stated in the paragraph.
13. Please describe when CSWR-Florida plans to obtain its own debt.
14. Please explain how CSWR-Florida will potentially attract capital at a reasonable cost given it has invested more than \$71 million without an apparent return on that investment coupled with net operating losses.

Please file all responses electronically no later than Tuesday, May 12, 2026, through the Commission's website at [www.floridapsc.com](http://www.floridapsc.com), by selecting the Clerk's Office tab and Electronic Filing Web Form. *In addition, please email the filed response to [discovery-gel@psc.state.fl.us](mailto:discovery-gel@psc.state.fl.us).*

Please feel free to call me at (850) 413-6846 if you have any questions.

Sincerely,

*/s/ Daniel Dose*  
Daniel Dose  
Senior Attorney

DD/ds

cc: Office of Commission Clerk