

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In 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.

PROCEEDINGS: PREHEARING CONFERENCE

COMMISSIONERS
PARTICIPATING: COMMISSIONER GARY F. CLARK

DATE: Thursday, May 14, 2026

TIME: Commenced: 9:30 a.m.
Concluded: 9:50 a.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter

PREMIER REPORTING
TALLAHASSEE, FLORIDA
(850) 894-0828

1 COUNSEL OF RECORD FOR APPEARANCES:

2 TOM A. CRABB and JORDANN WILHELM, ESQUIRES,
3 Radey Law Firm, 301 South Bronough Street, Tallahassee,
4 Florida 32301; appearing on behalf of CSWR-Florida

5 WALT TRIERWEILER, PUBLIC COUNSEL; PATRICIA
6 CHRISTENSEN and AUSTIN WATROUS, ESQUIRES, OFFICE OF
7 PUBLIC COUNSEL, c/o The Florida Legislature, 111 West
8 Madison Street, Room 812, Tallahassee, FL 32399-1400,
9 appearing on behalf of the Citizens of the State of
10 Florida.

11 DANIEL DOSE and ZACHARY BLOOM, ESQUIRES, FPSC
12 General Counsel's Office, 2540 Shumard Oak Boulevard,
13 Tallahassee, FL 32399-0850, appearing on behalf of the
14 Florida Public Service Commission.

15 ADRIA HARPER, GENERAL COUNSEL; MARY ANNE
16 HELTON, DEPUTY GENERAL COUNSEL, Florida Public Service
17 Commission, 2540 Shumard Oak Boulevard, Tallahassee,
18 Florida 32399-0850, Advisor to the Florida Public
19 Service Commission.

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1 P R O C E E D I N G S

2 COMMISSIONER CLARK: It's a couple seconds
3 early, but if all the parties are here, we are
4 going to go ahead and get started in the interest
5 of time.

6 Good morning, everybody. I would like to call
7 this prehearing conference to order. I would ask
8 staff, if they would, to please read the notice of
9 the meeting.

10 MR. DOSE: By notice published May 7th, 2026,
11 this time and place has been set for a prehearing
12 conference in Docket No. 20250052-WS. The purpose
13 of this prehearing is to simplify the issues,
14 identify positions of the parties on said issues,
15 consider the possibility of obtaining admissions,
16 identify exhibits, establish an order of witnesses,
17 and consider such other matters that may aid in the
18 disposition of this docket. Details are set forth
19 more fully in the notice.

20 COMMISSIONER CLARK: Thank you, Mr. Dose.

21 We will take appearances now, beginning with
22 CSWR.

23 MR. CRABB: Good morning. Tom Crabb with the
24 Radey law firm for CSWR-Florida.

25 MS. WILHELM: Good morning, Jordann Wilhelm

1 with the Radey Law Firm on behalf of CSWR-Florida.

2 MR. CRABB: And I will also introduce David
3 Woodsmall as the company's Senior Vice-President of
4 Rates and Regulatory is with us this morning.

5 COMMISSIONER CLARK: All right. Thank you
6 very much.

7 OPC.

8 MR. WATROUS: Good morning, Mr. Commissioner.
9 This is Austin Watrous on behalf of the Florida
10 Office of Public Counsel, and I would also like to
11 enter an appearance for Patty Christensen and Walt
12 Trierweiler, the Public Counsel.

13 Thank you.

14 COMMISSIONER CLARK: Thank you very much.
15 Staff.

16 MR. DOSE: Daniel Dose and Zachary Bloom for
17 Commission staff.

18 MS. HELTON: And finally, Mary Anne Helton is
19 here as your Advisor. I would also like to enter
20 an appearance for our General Counsel, Adria
21 Harper?

22 COMMISSIONER CLARK: All right. Did we get
23 everybody?

24 Okay. We will move into preliminary matters.
25 Staff, any preliminary matters?

1 MR. DOSE: There are three contested issues
2 proposed by OPC, and OPC has filed a motion seeking
3 official recognition for a number of documents.

4 Staff recommends that the contested issues be
5 taken up at the end of the issue list, and the
6 motion for official recognition be taken up at the
7 pending motion section of the Prehearing Order.
8 Other than that, staff has no preliminary matters.

9 COMMISSIONER CLARK: Thank you.

10 Parties, any preliminary matters?

11 All right. Seeing none, we are going to go
12 through the draft Prehearing Order now. I am going
13 to go through these section by section. If there
14 are any corrections or changes that need to be
15 made, let me know. I am going to group them
16 together in groups, so we will get to -- go through
17 all of the issues in the Prehearing Order, then we
18 will get to the contested issues at the end.

19 So we will begin with Section I, Section II
20 and Section III. Any parties have any issues with
21 the Case Background, Conduct of Proceedings or
22 Jurisdiction?

23 Seeing none, we will move to Section IV,
24 Procedure for Handling Confidential Information.

25 Staff.

1 MR. DOSE: When confidential information is
2 used in the hearing, parties must have copies for
3 the Commissioners, necessary staff and the court
4 reporter in red envelopes, clearly marked with the
5 nature of the contents. Any party wishing to
6 examine the confidential material that is not
7 subject to the order granting confidentiality shall
8 be provided a copy of the same -- in the same
9 fashion as provided to the Commissioners, subject
10 to execution of any appropriate protective
11 agreement with the owner of the material.

12 COMMISSIONER CLARK: Thank you.

13 Any questions or objections?

14 All right. Section V, Prefiled Testimony,
15 Exhibits and Witnesses.

16 Staff.

17 MR. DOSE: Staff suggests that the witness
18 summary testimony be limited to five minutes. If a
19 witness has filed both direct and rebuttal
20 testimony, staff recommends that he receives five
21 minutes for direct and five minutes for rebuttal.
22 If both direct and rebuttal testimonies are taken
23 together, staff recommends that the witnesses be
24 given 10 minutes total.

25 COMMISSIONER CLARK: All right. Are there any

1 objections?

2 All right. Witnesses will have five minutes
3 each.

4 Section VI, Order of Witnesses.

5 MR. DOSE: The anticipated order of witnesses
6 is reflected in the draft Prehearing Order.

7 COMMISSIONER CLARK: All right. I am going to
8 ask this bold question. Are there any witnesses
9 that can be stipulated at this time?

10 MR. CRABB: Mr. Chair, we would like to make a
11 reordering of our witnesses, if that would be all
12 right.

13 COMMISSIONER CLARK: Okay.

14 MR. CRABB: So we would like to keep, as far
15 as the direct witnesses, starting with witness Cox,
16 and then moving to second position, Jacob Freeman.
17 And then going third, Todd Thomas. And then going
18 fourth Michael Duncan. And then fifth, Brent
19 Thies. And sixth, Aaron Silas. So again, that was
20 Cox, Freeman, Thomas, Duncan, Thies, Silas.

21 And then for the rebuttal witnesses, all of
22 those witnesses except for Mr. Duncan are also
23 rebuttal witnesses, so we would like to keep that
24 same order, with the exception of Mr. Duncan not
25 participating. So that would be Cox, Freeman,

1 Thomas, Thies, Silas on the rebuttal order.

2 COMMISSIONER CLARK: All right. Any
3 objections? Everybody okay with that?

4 All right. Now, back to my other issue. Any
5 witnesses we can stipulate? Nobody wants to give
6 in, huh?

7 All right. Let's move on to Section VII,
8 Basic Positions. Any of the parties have any
9 changes to make in their basic positions?

10 All right. Seeing none, Section VIII, Issues
11 and Positions. We are going to go through these
12 issues section by section in the order that they
13 are listed in the prehearing draft order. If you
14 have any changes, please speak up as we go through
15 them.

16 Staff, any additional comments before we get
17 started on the process?

18 MR. DOSE: Staff notes that for issues in
19 which a party has taken no position at this time,
20 if a party does not take a position on these
21 issues, per the OEP, their position will be changed
22 to no position in the Prehearing Order.

23 If a party fails to take a position on an
24 issue by the Prehearing Conference, the party
25 waives its opportunity to conduct cross-examination

1 on the issue, as well as a file post-hearing brief
2 on that issue.

3 COMMISSIONER CLARK: All right. Very good.
4 Let's get started with the issues.

5 Beginning with Issue 1 and 2, Quality of
6 Service, any changes?

7 Rate Base, Issues 3 through 19, any changes?

8 Cost of capital, Issues 20 through 26, any
9 changes?

10 Net Operating Income, Issues 27 through 38?

11 Revenue Requirement, Issue 39 through 44?

12 Other Issues, Issues 45 through 50, any
13 proposed changes?

14 All right. Let's address the contested
15 issues, starting with Issue A. Issue A is the
16 overall value to a customer provided by the utility
17 is satisfactory, and if not, what systems have
18 value issues and what action should be taken by the
19 Commission?

20 OPC, would you like to be heard?

21 MR. WATROUS: Yes. And the OPC is willing to
22 drop this issue, but reserves the right to raise
23 this again in other proceedings.

24 COMMISSIONER CLARK: All right. All in
25 agreement? Thank you very much.

1 We will move to Issue B, should any adjustment
2 be made to industry Association dues?

3 OPC.

4 MR. WATROUS: This issue is worded a little
5 uniquely. The OPC's position is not to remove all
6 industry association dues, but only the portion of
7 dues that fund lobbying expenses. These
8 associations engage in what is framed here as
9 legislative activities, and legislative activities
10 are functionally lobbying because those funds are
11 intended to influence governmental decision-making
12 or policy, and this Commission's practice is to
13 treat lobbying expenses below the line.

14 COMMISSIONER CLARK: CSWR, any response?

15 MR. CRABB: Our only response is that on
16 Contested Issue B, we went ahead and filed rebuttal
17 testimony specific to this issue, so we are fine
18 with moving it to being a regular issue.

19 COMMISSIONER CLARK: Okay. Staff?

20 MR. DOSE: For Contested Issue B, staff
21 believes that this issue is subsumed under Issue
22 32, concerning adjustments to the utility's test
23 year O&M expenses. However, staff has no strong
24 objection to inclusion of this issue.

25 COMMISSIONER CLARK: Okay. Very good.

1 All right. Mr. Watrous.

2 MR. WATROUS: We would just ask that it be its
3 own specific issue, because we don't believe that
4 would be specific enough to address the lobbying
5 portion.

6 COMMISSIONER CLARK: All right. Any other
7 comments?

8 All right. Let's finish up with Issue C. Are
9 the resulting rates affordable within the meaning
10 of fair, just and reasonable pursuant to Section
11 367.081 and 367.121, Florida Statutes?

12 OPC, would you like to be heard?

13 MR. WATROUS: Thank you, Mr. Commissioner.

14 The consideration of affordability reinforces
15 that ratemaking serves the public interest as a
16 whole, and allows parties to inform the Commission
17 on whether the scope, timing, structure and
18 magnitude of requested increases appropriately
19 balances the utility's needs with the customer's
20 ability to pay, which falls squarely within this
21 commission's broad grant of legislative authority,
22 and we would ask we be able to brief you on these
23 issues.

24 COMMISSIONER CLARK: CSWR?

25 MR. CRABB: We object to this issue. The

1 Commission precedent, as I understand it, is that
2 there is no statutory authority to infer a specific
3 definition of affordability absent expressed
4 legislative authorization, which there is not here.
5 And so consistent with Commission precedent on this
6 issue, we would object.

7 COMMISSIONER CLARK: Staff?

8 MR. DOSE: For Contested Issue C, we believe
9 that this issue is previously raised and disposed
10 of in the Sunshine rate case. Furthermore, we
11 struggle to see how OPC would carry this issue
12 forward, as there is nothing in their testimony
13 concerning affordability of rates.

14 COMMISSIONER CLARK: All right. Any other
15 comments by the parties?

16 Mr. Watrous.

17 MR. WATROUS: Yes, we would be able to provide
18 that information during cross-examination.

19 COMMISSIONER CLARK: Anybody else?

20 All right. Let's move on to -- any other
21 issues related to A, B and C that the parties have,
22 or staff?

23 All right. If not, we will move on to the
24 exhibit list.

25 Staff.

1 MR. DOSE: Staff has prepared a Comprehensive
2 Exhibit List, which includes all prefiled exhibits
3 and also includes those exhibits staff wishes to
4 include in the record.

5 Staff will recirculate the draft list and
6 check with the parties prior to the hearing to
7 determine if there are any objections to the
8 Comprehensive Exhibit List or any of staff's
9 exhibits being entered into the record.

10 All parties must refer to the Exhibit Number
11 established by the Comprehensive Exhibit List when
12 referencing an exhibit during cross-examination as
13 well.

14 COMMISSIONER CLARK: All right. Thank you
15 very much.

16 Let's move on to Section X, Proposed
17 Stipulations.

18 Staff.

19 MR. DOSE: There are no proposed stipulations
20 at this time. However, if the parties can speak to
21 any proposed stipulations, this would be the time
22 to do so.

23 COMMISSIONER CLARK: All right. We will give
24 you one more chance. You didn't stipulate any
25 witnesses. Do you want to stipulate any positions?

1 MR. WATROUS: Currently, we do not have any
2 stipulations. However, we are willing to work with
3 the utility in the future to make sure we can
4 secure those stipulations for you, Mr.
5 Commissioner.

6 COMMISSIONER CLARK: Thank you, sir.

7 MR. CRABB: Concur with Mr. Watrous on that.

8 COMMISSIONER CLARK: All right. Moving on to
9 Pending Motions, Item No. IX.
10 Staff.

11 MR. DOSE: There is currently one pending
12 motion, which is OPC's motion to seek official
13 recognition. CSWR has also filed a response to
14 this motion.

15 COMMISSIONER CLARK: All right. I think that
16 I am willing to hear parties' positions on the
17 matter if you would like to, if you can do it in
18 five minutes or so.

19 Mr. Watrous, we will hear your position first.

20 MR. WATROUS: Thank you. And I may be a
21 disciple of Charles Rehwinkel, but it will be less
22 than five minutes.

23 OPC should be permitted to obtain official
24 recognition of the requested materials because the
25 documents consist of Commission maintained public

1 records, annual reports filed pursuant to
2 regulatory requirements, customer correspondence in
3 this commission document and governmental documents
4 whose accuracy is readily ascertainable and not
5 readily subject to dispute.

6 Under Florida Statutes, agencies may consider
7 evidence of a type commonly relied upon by
8 reasonably prudent people in the conduct of their
9 affairs, including hearsay, to supplement and
10 explain their evidence.

11 The Commission may officially recognize these
12 documents, and to the extent individual documents
13 or customer comments may ultimately prove less
14 probative, the Commission may assign the
15 appropriate evidentiary weight. Any isolated
16 concerns regarding specific pages or correspondence
17 can be addressed individually without denying
18 official recognition of categories as a whole.

19 In the interest of judicial economy, the OPC
20 filed this request to promote the just, speedy and
21 inexpensive determination of this case. However,
22 the OPC will be prepared to go through each
23 individual document not officially recognized here.

24 Thank you.

25 COMMISSIONER CLARK: Thank you, Mr. Watrous.

1 CSWR, any response?

2 MS. WILHELM: Thank you, Mr. Commissioner. I
3 will also keep it very brief. Our response here is
4 primarily twofold.

5 One, the general overall objection to the
6 request for official recognition is that OPC's
7 motion does not establish the relevance for each
8 exhibit that they have requested official
9 recognition for. To the extent they are able to
10 articulate that relevance, then, in which case, we
11 likely would not have any specific objections
12 beyond those otherwise outlined in the motion.

13 Specifically to Exhibits B, C and D, there are
14 documents contained within each of those exhibits
15 which do not appear relevant to this case. They
16 are related to other CSWR-Florida utilities, which
17 are not a part of this rate case. That's the case
18 in both Exhibits B and C, related to annual
19 reports. There are additional documents there that
20 are simply irrelevant, immaterial, since they are
21 not related to the underlying rate case utilities.

22 As for Exhibit D, that's a little different,
23 in that its customer correspondence that is being
24 requested for official recognition. Specifically
25 there, there are at least three comments that have

1 been reviewed that are not related to, again, this
2 underlying rate case or CSWR-Florida. To the
3 extent any customer correspondence has been
4 admitted into the document -- excuse me, into the
5 docket inappropriately in the sense that it's not
6 to CSWR-Florida's utilities, we would request that
7 those not be officially recognized.

8 Thank you.

9 COMMISSIONER CLARK: All right. Staff, any
10 comments?

11 MR. DOSE: Staff recommends that OPC's
12 exhibits are not appropriate for official
13 recognition. They don't fall under any of the
14 categories enumerated in Section 90.201 or 90.202
15 of the Florida Statutes. They don't constitute an
16 official act of the Commission either. Rather,
17 they reflect the opinion of the person who wrote
18 them, whether it's Commission staff or CSWR.

19 OPC can still offer these exhibits on
20 cross-examination, where they would be subject to
21 appropriate hearsay and relevance objections.

22 With respect to the customer correspondence,
23 with the agreement of all parties, staff would not
24 object to a stipulation on these. Staff has no
25 objection to officially recognizing customer

1 correspondence if all parties agree, but the
2 correspondence would be more appropriately offered
3 into the record through stipulation or on
4 cross-examination.

5 As to the correspondence by customers not
6 related to this rate case, staff recommends that
7 these should be admitted and given the weight that
8 they are due at hearing.

9 COMMISSIONER CLARK: Okay. Anybody want to
10 stipulate any of the documents in? That's the
11 offer and option on the table right this second.

12 All right. If not, I think I will take the
13 matter under advisement and we will issue a ruling
14 in the final Prehearing Order.

15 MR. WATROUS: Mr. Commissioner, we are also
16 willing to work with CSWR to see if we can get any
17 of these issues resolved quickly and stipulated to,
18 so thank you.

19 COMMISSIONER CLARK: That would work. Thank
20 you very much.

21 All right. Let's move to Item XII, Pending
22 Confidentiality matters.

23 Staff.

24 MR. DOSE: The pending confidentiality
25 requests are listed in the draft Prehearing Order.

1 Staff will do its best to resolve pending
2 confidentiality requests prior to the hearing.

3 COMMISSIONER CLARK: All right. Post-Hearing
4 Procedures.

5 MR. DOSE: If there are any issues to be
6 briefed, staff recommends post-hearing briefs be no
7 longer than 40 pages, including attachments.

8 COMMISSIONER CLARK: Any of objections? All
9 right. So ordered.

10 All right. Is there anything else from staff?

11 MR. DOSE: Staff notes that briefs will be due
12 on July 10th, 2026.

13 COMMISSIONER CLARK: All in agreement?
14 Okay. Rulings.

15 MR. DOSE: Staff recommends that the
16 Prehearing Officer make a ruling that the opening
17 statements, if any, should not exceed 10 minutes
18 per party, unless any party chooses to waive its
19 opening statement.

20 COMMISSIONER CLARK: All in agreements for 10
21 minutes? All right. Opening statements are
22 limited to 10 minutes.

23 Other matters?

24 MR. DOSE: Staff is not aware of any other
25 matters.

1 COMMISSIONER CLARK: All right. Any of the
2 parties have any other matters to come before the
3 Commission at this time? Seeing none.

4 MR. CRABB: No, none at this time.

5 MR. WATROUS: None from OPC at this time.
6 Thank you.

7 COMMISSIONER CLARK: Staff, you are good to
8 go?

9 All right. Thank you very much for your
10 attendance today. The hearing is adjourned.

11 (Proceedings concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, Court Reporter, do hereby
certify that the foregoing proceeding was heard at the
time and place herein stated.

IT IS FURTHER CERTIFIED that I
stenographically reported the said proceedings; that the
same has been transcribed under my direct supervision;
and that this transcript constitutes a true
transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative,
employee, attorney or counsel of any of the parties, nor
am I a relative or employee of any of the parties'
attorney or counsel connected with the action, nor am I
financially interested in the action.

DATED this 28th day of May, 2026.


DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #HH575054
EXPIRES AUGUST 13, 2028