**State of Florida**

# Public Service Commission

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**-M-E-M-O-R-A-N-D-U-M-**

**DATE:** June 8, 2026

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

**FROM:** Jennifer S. Crawford, Attorney Supervisor, Office of the General Counsel *JSC*

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

Please file the attached list of proposed issue stipulations in Docket File 20250052-WS. They represent discussions and agreement reached between the parties to the docket and staff, and are intended to be distributed to the Commissioners for their consideration and vote at the June 8, 2026 hearing in this matter.

Thank you.

JSC

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Application for increase in water and wastewater rates in Brevard, Citrus, Duval, Highlands, Marion, and Volusia Counties by CSWR-Florida Utility Operating Company. | DOCKET NO. 20250052-WS |

## PROPOSED STIPULATIONS

Upon consultation with the parties to this docket, the following issues have been proposed as stipulations in this proceeding. Each issue will individually designate whether it is a Type 1 or Type 2 stipulation.

A Type 1 stipulation occurs on an issue where the utility and intervenors agree on the resolution of the issue. A Type 2 stipulation[1] occurs on an issue when the utility and staff, or the utility and at least one party adversarial to the utility, agree on the resolution of the issue and the remaining parties (including staff if they do not join in the agreement) do not object to the Commission relying on the agreed language to resolve that issue in a final order.

## RATE BASE

**ISSUE 5:** **Should any adjustments be made to the Utility's pro forma plant additions?**

**Type 1:** No adjustments should be made; the CSWR-Florida has no pro forma plant additions.

**ISSUE 15:** **Should any adjustments be made to test year CIAC balances?**

**Type 2:** Yes. CSWR-Florida accepts Staff's Revised Audit Finding 4 (Contributions-in-Aid-of-Construction CIAC and CIAC Amortization) related to CIAC balances.

**ISSUE 16:** **Should any adjustments be made to test year accumulated amortization of CIAC?**

[1] The Office of Public Counsel's (OPC's) position on each Type 2 stipulation is as follows:

> OPC takes no position on these issues, nor does it have the burden of proof related to them. As such, the OPC represents that it will not contest or oppose the Commission taking action approving a proposed stipulation between the utility and another party or staff as a final resolution of the issue. No person is authorized to state that the OPC is a participant in, or party to, a stipulation on these issues, either in this docket, in an order of the Commission or in a representation to a Court.

**Type 2:** While Staff did not recommend any adjustment to amortization of CIAC, a minor adjustment may be warranted because of Staff's Revised Audit Finding 4 (Contributions-in-Aid-of-Construction CIAC and CIAC Amortization) reducing the CIAC balances.

## COST OF CAPITAL

**ISSUE 20: What amount of accumulated deferred taxes should be approved for inclusion in the capital structure for the test year?**

**Type 1:** None; CSWR-Florida has no accumulated deferred taxes.

**ISSUE 21: What amount and cost rate for customer deposits should be approved for inclusion in the capital structure for the test year?**

**Type 1:** None; CSWR-Florida has no customer deposits.

**ISSUE 22: What amount and cost rate for short-term debt should be approved for inclusion in the capital structure for the test year?**

**Type 2:** The Company agrees to Staff's Audit Finding 8 (Capital Structure) which reclassifies a related-party credit balance as short-term debt. The Company also agrees to Staff's attendant short-term debt rate of 8.50% as reflected in Audit Finding 8.

**ISSUE 23: What amount and cost rate for long-term debt should be approved for inclusion in the capital structure for the test year?**

**Type 1:** None; CSWR-Florida has no long-term debt.

**ISSUE 24: What equity ratio should be approved for use in the capital structure for ratemaking purposes for the test year?**

**Type 2:** An equity ratio of 98.68 percent on a consolidated basis should be approved for ratemaking purposes for the test year.

## NET OPERATING INCOME

**ISSUE 35: Should any adjustments be made to test year amortization of CIAC expense?**

**Type 2:** While Staff did not recommend any adjustment to amortization of CIAC expense, some minor adjustment may be warranted because of Staff's Revised Audit Finding 4 (with which CSWR-Florida agrees) reducing the CIAC balance.

## RATES AND RATE STRUCTURE

**ISSUE 49: Should the Utility be required to notify, within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) associated with the Commission approved adjustments?**

**Type 1:** Yes, CSWR-Florida should be required to notify, within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA) associated with the Commission approved adjustments.