

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20260006-WS

Water and wastewater industry annual
reestablishment of authorized range of
return on common equity for water and
wastewater utilities pursuant to Section
367.081(4)(f), F.S.

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 8

COMMISSIONERS
PARTICIPATING: CHAIRMAN GABRIELLA PASSIDOMO SMITH
COMMISSIONER GARY F. CLARK
COMMISSIONER MIKE LA ROSA
COMMISSIONER BOBBY PAYNE
COMMISSIONER ANA ORTEGA

DATE: Tuesday, June 2, 2026

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

REPORTED BY: DEBRA R. KRICK
Court Reporter and Notary
Public in and for the State
of Florida at Large

PREMIER REPORTING
TALLAHASSEE, FLORIDA
(850) 894-0828

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

2 CHAIRMAN SMITH: Okay. We are moving to Item
3 8.

4 Mr. McGowan, you are recognized.

5 MR. MCGOWAN: Yes. Good morning Chairman and
6 Commissioners. Jerrat McGowan with the Division of
7 Accounting and Finance.

8 Item 8 is staff's recommendation concerning
9 the annual reestablishment of the authorized range
10 of returns on equity, or ROEs, for water and
11 wastewater utilities Section 367.081 of Florida
12 Statutes. This statute authorizes the Commission
13 to establish, not less than once each year, a
14 leverage formula to calculate a reasonable range of
15 ROEs for water and wastewater utilities.

16 Staff recommends that the leverage formula be
17 updated for 2026 to reflect current market
18 conditions and be used until readdressed in 2027.

19 This year's leverage formula produces a range
20 of ROEs from 8.58 percent for a utility with a
21 100-percent equity ratio to 10.25 percent for a
22 utility with an equity ratio of 40 percent or less.

23 Thank you.

24 CHAIRMAN SMITH: Thank you.

25 Are there any questions?

1 A motion?

2 COMMISSIONER CLARK: Move approval, Madam
3 Chair.

4 COMMISSIONER LA ROSA: Second.

5 CHAIRMAN SMITH: All those in favor?
6 (Chorus of ayes.)

7 CHAIRMAN SMITH: Any opposed?
8 (No response.)

9 CHAIRMAN SMITH: None? Okay. Item No. 8
10 passes. Thank you.

11 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

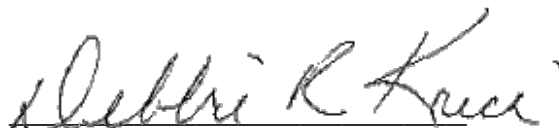
STATE OF FLORIDA)
COUNTY OF LEON)

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 15th day of June, 2026.



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