

FLORIDA PUBLIC SERVICE COMMISSION

Item 6

VOTE SHEET

August 4, 2026

FILED 8/4/2026

DOCUMENT NO. 04917-2026

FPSC - COMMISSION CLERK

**Docket No. 20250108-WS** – Application for staff-assisted rate case in Lake County, by Sunlake Estates Utilities, L.L.C.

**Issue 1:** Is the quality of service provided by Sunlake Estates Utilities, L.L.C. satisfactory?

**Recommendation:** No. While Sunlake's product is in compliance with the rules and regulations of the Florida Department of Environmental Protection (DEP), staff does not believe the Utility adequately demonstrated an ability to address customer satisfaction due to concerns regarding recordkeeping and communications with its customers. Staff recommends the quality of service be considered marginal, and the Utility be required to file a plan outlining how it will improve its recordkeeping and customer communications within 30 days of an Order becoming final. Staff does not recommend a penalty at this time.

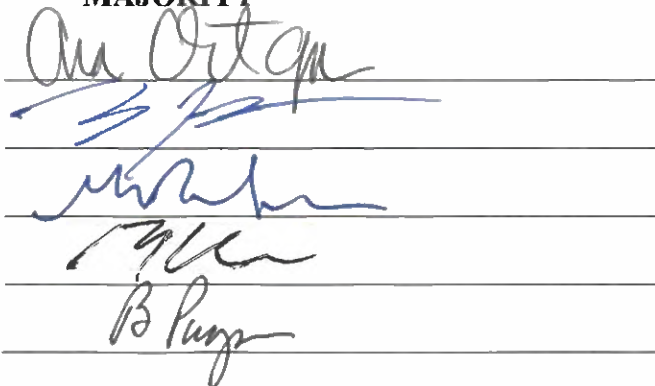
**MODIFIED** – Quality of service is unsatisfactory.

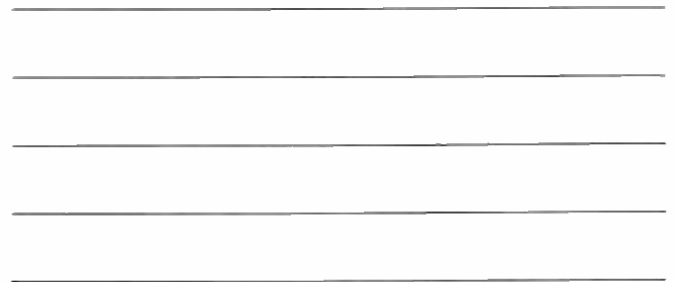
**COMMISSIONERS ASSIGNED:** All Commissioners

**COMMISSIONERS' SIGNATURES**

**MAJORITY**

**DISSENTING**





**REMARKS/DISSENTING COMMENTS:**

**Staff given administrative  
authority to make  
fall-out adjustments.**

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**Issue 2:** Are the infrastructure and operating conditions of Sunlake Estates Utilities, L.L.C. in compliance with DEP regulations?

**Recommendation:** Yes. Sunlake Estates Utilities, L.L.C.'s water system is in compliance with the rules and regulations of the DEP.

**APPROVED**

**Issue 3:** What are the used and useful (U&U) percentages of Sunlake Estates Utilities, L.L.C.'s water treatment plant (WTP) and water distribution system?

**Recommendation:** Sunlake's WTP and water distribution system should both be considered 100 percent U&U. Additionally, an 11.78 percent adjustment should be made to reduce the operating expenses for chemicals and purchased power for excessive unaccounted for water (EUW).

**APPROVED**

**Issue 4:** What is the appropriate average test year rate base for Sunlake Estates Utilities, L.L.C.?

**Recommendation:** The appropriate average test year rate base for Sunlake is \$677,077.

**APPROVED**

**Issue 5:** What is the appropriate return on equity and overall rate of return for Sunlake Estates Utilities, L.L.C.?

**Recommendation:** The appropriate return on equity (ROE) is 8.58 percent with a range of 7.58 percent to 9.58 percent. The appropriate overall rate of return is 8.58 percent.

**MODIFIED**

- There shall be a 75 basis point reduction to staff's recommended ROE.

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**Issue 6:** What are the appropriate test year operating revenues for the water system of Sunlake Estates Utilities, L.L.C.?

**Recommendation:** The appropriate test year operating revenues for Sunlake Estates' water system are \$134,638.

**APPROVED**

**Issue 7:** What are the appropriate operating expenses for Sunlake Estates Utilities, L.L.C.?

**Recommendation:** The appropriate operating expenses for Sunlake are \$160,038.

**APPROVED**

**Issue 8:** Does Sunlake Estates Utilities, L.L.C. meet the criteria for application of the operating ratio methodology?

**Recommendation:** No, Sunlake Estates Utilities, L.L.C. does not meet the requirement for application of the operating ratio methodology for calculating the revenue requirement.

**APPROVED**

**Issue 9:** What is the appropriate revenue requirement for Sunlake Estates Utilities, L.L.C.?

**Recommendation:** The appropriate revenue requirement is \$218,097, resulting in an annual increase of \$83,459 (61.99 percent).

**APPROVED**

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**Issue 10:** What are the appropriate rate structure and rates for Sunlake Estates Utilities, L.L.C.?

**Recommendation:** The recommended rate structure and monthly water rates are shown on Schedule No. 4 of staff's memorandum dated July 23, 2026. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates should not be implemented until staff has approved the proposed customer notice and the notice has been received by the customers. The Utility should provide proof of the date notice was given by affidavit within 10 days of the date of the notice.

**APPROVED**

**Issue 11:** What are the appropriate revisions to miscellaneous service charges for Sunlake Estates Utilities, L.L.C.?

**Recommendation:** The appropriate revisions to miscellaneous service charges are to remove the initial connection and normal reconnection charges and update the definition of the premises visit charge to be consistent with Rule 25-30.460, F.A.C. The Utility should be required to file a proposed customer notice to reflect the removal of those charges. The changes should 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, F.A.C. In addition, the tariff sheets should be approved upon staff's verification that the tariffs are consistent with the Commission's decision and that the proposed customer notice is adequate.

**APPROVED**

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**Issue 12:** What is the appropriate amount by which rates should be reduced four years after the published effective date to reflect the removal of the amortized rate case expense?

**Recommendation:** The rates should be reduced as shown on Schedule No. 4 of staff's memorandum dated July 23, 2026, to remove rate case expense grossed-up for RAFs and amortized over a four-year period. Pursuant to Section 367.081(8), F.S., the decrease in rates should become effective immediately following the expiration of the rate case expense recovery period. Sunlake should be required to file revised tariffs and a proposed customer notice setting forth the lower rates and rationale no later than one month prior to the effective date of the new rates. If the Utility files revised tariffs reflecting this reduction in conjunction with a price index or pass-through rate adjustment, separate data should be filed for the price index and/or pass-through increase and the reduction in the rates due to the amortized rate case expense.

**APPROVED**

**Issue 13:** Should the recommended rates be approved for Sunlake Estates Utilities, L.L.C. on temporary basis, subject to refund with interest, in the event of a protest filed by a party other than the Utility?

**Recommendation:** Yes. Pursuant to Section 367.0814(7), F.S., the recommended rates should be approved for the Utility on a temporary basis, subject to refund with interest, in the event of a protest filed by a party other than the Utility. Sunlake should file revised tariff sheets and a proposed customer notice reflecting the Commission-approved rates. The approved rates should be effective for services rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates should not be implemented until staff has approved the proposed notice, and the notice has been received by the customers. Further, prior to implementing any temporary rates, the Utility should provide appropriate financial security.

If the recommended rates are approved on a temporary basis, the rates collected by the Utility should be subject to the refund provisions discussed in the staff analysis portion of staff's memorandum dated July 23, 2026. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility should file reports with the Commission's Office of Commission Clerk no later than the 20th of each month indicating both the current monthly and total amount subject to refund at the end of the preceding month. The report filed should also indicate the status of the security being used to guarantee repayment of any potential refund.

**APPROVED**

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**Issue 14:** Should Sunlake Estates Utilities, L.L.C. be required to notify the Commission within 90 days of an effective order finalizing this docket, that it has adjusted its books for all the applicable NARUC USOA?

**Recommendation:** Yes. Sunlake should be required to notify the Commission, in writing, that it has adjusted its books in accordance with the Commission's decision. The Utility should submit a letter within 90 days of the Commission's final order in this docket, confirming that the adjustments to all applicable NARUC USOA primary accounts have been made to the Utility's books and records. In the event the Utility needs additional time to complete the adjustments, a notice providing good cause should be filed not less than seven days prior to the deadline requesting an extension. Upon providing a notice of good cause, staff should be given administrative authority to grant an extension of up to 60 days.

## APPROVED

**Issue 15:** Should this docket be closed?

**Recommendation:** No. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, a consummating order should be issued. The docket should remain open for staff's verification that the revised tariff sheets and customer notice have been filed by the Utility and approved by staff. In addition, the docket should stay open for staff's verification that the Utility has filed its plan outlining how it will improve its recordkeeping and customer communications as set forth in Issue 1. Once these actions are complete, the docket should be closed administratively.

## MODIFIED

- The utility shall host annual customer meetings in 2027 and 2028 and file a report after each meeting summarizing the customer feedback.
- Commission staff shall initiate a management audit and present the findings to the Commission.
- The order shall include language advising that failure to adequately respond to staff during the audit may result in a Show Cause proceeding.