

**Florida Public Service Commission
Fact Sheet: Docket No. 100330-WS
Aqua Utilities Florida, Inc. Rate Increase Request**

Aqua Utilities Florida, Inc. (AUF) is a wholly-owned subsidiary of Aqua America, Inc. AUF's Florida footprint is the result of numerous utility transfers in 2003 and 2004. The utility now provides water and wastewater service to approximately 17,154 water and 6,595 wastewater customers in 85 certificated service areas (58 water and 27 wastewater systems) in 17 counties under Florida Public Service Commission (PSC) jurisdiction.

Background

- On September 1, 2010, AUF filed a Proposed Agency Action application for an increase in water and wastewater rates.
- PSC staff conducted nine customer meetings in October-November 2010.
- *The Chuluota systems are not involved in this rate case proceeding.*

2011 Commission Vote

- On May 25, 2011, the PSC approved a revenue requirement of \$16,044,446.
- Service quality was found marginal.
- A Phase III ongoing monitoring plan was to be established.
- Return on equity of 9.42 percent reflects 25 basis point reduction for marginal quality of service.
- A three-tiered inclining block rate structure was established with usage blocks for monthly consumption of 0 to 6 thousand gallons (kgals), 6.001 to 12 kgals, and all kgals in excess of 12 kgals.

Protest

- In July 2011, the Office of Public Counsel (OPC) and a private citizen protested the proposed increase, making it possible by Florida Statute for AUF to demand temporary implementation of its entire rate request. The utility, however, agreed to implement the PSC-proposed rates instead.
- By statute, a protest triggers a full rate case.
- Ten customer service hearings were conducted in August–October 2011. A hearing in Chuluota allowed customers to discuss its monitoring plan results.
- Technical hearings were held in Tallahassee in November–December 2011.

2012 Commission Vote

<u>AUF Requested</u>	<u>PSC Approved</u>
Service quality is good and substantially improved.	Service quality is marginal. <i>The Commission directed AUF to file quarterly compliance reports with the PSC on improvements to aesthetic water quality, customer notifications for boiled water requirements, compliance with environmental requirements, and certain call center statistics.</i>
22 percent executive salary increase. 4 percent cost of living increase. (Florida) 2.9 percent cost of living increase (out-of-state)	No executive salary increases approved. No cost of living increases for Florida or out-of-state employees.
\$1,584,791 in rate case expense.	\$1,409,042 approved, to be paid over four years.
Return on equity of 9.76 percent.	Return on equity of 9.26 percent.
\$17,186,014 revenue requirement for water and wastewater.	\$15,871,146 approved revenue requirement for water and wastewater.

Average Bill per Rate Band

Average monthly bill for a residential water customer using 7 kgals follows. No customer will pay more than the approved residential water rate cap threshold amount of \$68.30.*

- Rate Band 1: \$44.37
- Rate Band 2: \$68.30

* *Systems included in each water rate band are listed on the following page.*

Average monthly bill for a residential wastewater customer using 6 kgals follows. Approved residential wastewater rate cap threshold is \$87.53.*

- Rate Band 1: \$69.97
- Rate Band 2: \$87.53
- Rate Band 3: \$134.33 (*general service-only customers; threshold not applicable*)

* *Systems included in each wastewater rate band are listed on the following page.*

Water and Wastewater Rate Bands

Aqua Utilities Florida, Inc. - Docket No. 100330-WS

Test Year Ending April 30, 2010

Listing of Systems Within Recommended Rate Bands

WATER

Commission Approved:

<u>Rate Band 1</u>	= <u>Prior Rate Band 1</u>	+ <u>Prior Stand Alone Systems</u>
	Jasmine Lakes	Fairways
	Kings Cove	
	Ocala Oaks	
	Picciola Island	
	Silver Lake Estates/Western Shores	
	Tangerine	
<u>Rate Band 2</u> <u>(Capped Band)</u>	= <u>Prior Rate Band 2</u>	+ <u>Prior Rate Band 3</u>
	Carlton Village	48 Estates
	Fern Terrace	Gibsonia Estates
	Grand Terrace	Interlachen Lake/Park Manor
	Lake Gibson Estates	Lake Osborne Estates
	Piney Woods	Orange Hill/Sugar Creek
	Sunny Hills	Quail Ridge
	Valencia Terrace	Ravenswood
		Venetian Village
	+ <u>Prior Rate Band 4</u>	+ <u>Prior Stand Alone Systems</u>
	Arredondo Estates/Farms	Breeze Hill
	Beecher's Point	Peace River
	East Lake Harris/Friendly Center	
	Haines Creek	
	Harmony Homes	
	Hermits Cove/St. Johns Highlands	
	Hobby Hills	
	Holiday Haven	
	Imerial Mobile Estates	
	Jungle Den	
	Kingswood	
	Lake Josephine/Sebring Lakes	
	Lake Suzy	
	Leisure Lakes	
	Morningview	
	Oakwood	
	Palm Port	
	Palm Terrace	
	Palms MHP	
	Pomona Park	
	River Grove	
	Rosalie Oaks	
	Silver Lake Oaks	
	Skycrest	
	Stone Mountain	
	Summit Chase	
	The Woods	
	Tomoka	
	Twin Rivers	
	Village Water	
	Welaka	
	Wootens	
	Zephyr Shores	

Source: Staff Recommendation, Dkt. No. 100330-WS (post-hearing), Attachment 1, pp. 238-239.

WASTEWATER

Commission Approved:

Rate Band 1 = Prior Rate Band 1
Kings Cove
Leisure Lakes
Summit Chase
Valencia Terrace

Rate Band 2 = Prior Rate Band 2 + Prior Rate Band 3 + Prior Stand Alone Systems
(Capped Band)
Arredondo Farms Beecher's Point Breeze Hill
Holiday Haven Jungle Den Fairways
Jasmine Lakes Lake Gibson Estates Peace River
Lake Suzy Rosalie Oaks
Morningview
Palm Port
Palm Terrace
Park Manor
Silver Lake Oaks
South Seas
Sunny Hills
The Woods
Venetian Village
Zephyr Shores

Rate Band 3 = Prior Rate Band 4
General Service-
Only Wastewater Village Water
FL Central Commerce Park

Source: Staff Recommendation, Dkt. No. 100330-WS (post-hearing), Attachment 3, p. 242.