

**Florida Public Service Commission  
Fact Sheet: Docket No. 110264-WS  
Labrador Utilities, Inc. Rate Increase Request**

Labrador Utilities, Inc. (Labrador) is a Class B water and wastewater utility serving approximately 770 water and 750 wastewater customers in Pasco County.

**Background**

- On October 31, 2011, Labrador filed a Proposed Agency Action (PAA) application for an increase in water and wastewater rates and requested interim rates.
- Interim rate increases, subject to refund, of 15.89 percent for water and 12.07 percent for wastewater were approved and established by order on December 12, 2011.
- PSC staff conducted a customer meeting on January 18, 2012 near Zephyrhills.
- On March 6, 2012, Forest Lake Estates Co-op, Inc. (Co-op) filed a Motion to Dismiss or Abate Labrador’s rate case. The Co-op contends that it has terminated Labrador’s commercial lease and the utility has no legally enforceable rights to use of the land.

**March 27, 2012 Commission Vote**

- The PSC approved a revenue requirement of \$300,871 for water and \$450,998 for wastewater.
- Interim wastewater rate refund was approved, with interest, amounting to 11.37 percent of wastewater revenue collected since December.
- The Co-op’s Motion to Dismiss was denied, since Commissioners found that Labrador enjoys all of its rights under the lease. It was noted that under the PAA process, an interested person has the opportunity to protest the order and raise the question of land ownership in an evidentiary proceeding. Labrador was directed to file quarterly status reports on the Circuit Court litigation between the utility and the Co-op.

<b><u>Labrador Requested</u></b>	<b><u>PSC Approved</u></b>
\$905,056 revenue requirement for water and wastewater.	\$751,869 revenue requirement for water and wastewater.
Return on equity of 10.51 percent for water and wastewater.	Return on equity of 10.51 percent for water and 10.26 percent for wastewater.
Quality of service satisfactory.	Quality of service found to be satisfactory for water, but marginal for wastewater.
Pro forma adjustment to wages and salary expense to reflect a 3 percent salary increase in April 2011.	Pay increases should not be borne by ratepayers. Salary and wages expense reduced by \$1,704 for water and \$1,677 for wastewater.
\$267,603 in rate case expense.	\$88,662 in rate case expense, to be paid over four years.

Total O&M expense of \$465,576.	Total O&M expense of \$366,835.
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## **Customer Rates**

### **Water**

<b>Labrador Utilities, Inc.</b>			<b>Schedule No. 4-A</b>		
<b>Water Monthly Service Rates</b>			<b>Docket No. 110264-WS</b>		
<b>Test Year Ended 12/31/2010</b>					
	<b>Rates Prior to Filing</b>	<b>Commission Approved Interim</b>	<b>Utility Requested Final</b>	<b>Commission Approved Final</b>	<b>4-Year Rate Reduction</b>
<b><u>Residential</u></b>					
Base Facility Charge, 5/8 Meter Size:	\$9.16	\$10.49	\$13.07	\$10.57	\$0.42
Gallonge Charge (per 1,000 gallons)	\$6.78	\$7.77	\$9.67	\$8.43	\$0.33
<b><u>General Service</u></b>					
Base Facility Charge by Meter Size:					
5/8" x 3/4"	\$9.16	\$10.49	\$13.07	\$10.57	\$0.42
3/4"	\$13.58	\$15.75	\$19.62	\$26.43	\$1.04
1"	\$22.63	\$26.24	\$32.68	\$52.85	\$2.08
1-1/2"	\$45.26	\$52.48	\$65.35	\$84.56	\$3.32
2"	\$72.42	\$83.97	\$104.57	\$169.12	\$6.64
3"	\$144.84	\$167.94	\$209.15	\$264.25	\$10.38
4"	\$226.30	\$262.39	\$326.78	\$528.50	\$20.76
6"	\$452.62	\$524.81	\$653.58	\$845.60	\$33.22
Gallonge Charge (per 1,000)	\$6.70	\$7.77	\$9.67	\$8.43	\$0.33
<b><u>Irrigation Service</u></b>					
Base Facility Charge, 2":	\$72.42	\$83.97	\$104.57	\$84.56	\$3.32
Gallonge Charge (per 1,000 gallons)	\$6.70	\$7.77	\$9.67	\$8.43	\$0.33
<b><u>Typical Residential Bills 5/8" x 3/4" Meter</u></b>					
3,000 Gallons	\$29.50	\$33.80	\$42.08	\$35.86	
5,000 Gallons	\$43.06	\$49.34	\$61.42	\$52.72	
10,000 Gallons	\$76.96	\$88.18	\$109.77	\$94.87	

Wastewater rates are on the following page.

**Wastewater**

<b>Labrador Utilities, Inc.</b>			<b>Schedule No. 4-B</b>		
<b>Wastewater Monthly Service Rates</b>			<b>Docket No. 110264-WS</b>		
<b>Test Year Ended 12/31/2010</b>					
	<b>Rates Prior to Filing</b>	<b>Commission Approved Interim</b>	<b>Utility Requested Final</b>	<b>Commission Approved Final</b>	<b>4-Year Rate Reduction</b>
<b><u>Residential</u></b>					
Base Facility Charge, 5/8 Meter Size:	\$22.38	\$24.91	\$27.59	\$22.65	\$0.58
Gallonge Charge - Per kgal (10 kgal cap)	\$9.98	\$11.11	\$12.31	\$10.10	\$0.26
<b><u>General Service</u></b>					
Base Facility Charge by Meter Size:					
5/8" x 3/4"	\$22.38	\$24.91	\$27.59	\$22.65	\$0.58
1"	\$33.58	\$37.36	\$41.40	\$56.63	\$1.46
1-1/2"	\$55.96	\$62.27	\$69.00	\$113.25	\$2.92
2"	\$111.91	\$124.52	\$137.99	\$181.20	\$4.67
3"	\$179.07	\$199.24	\$220.79	\$362.40	\$9.34
4"	\$358.14	\$398.47	\$441.59	\$566.25	\$14.60
6"	\$559.59	\$622.62	\$689.97	\$1,132.50	\$29.20
8"	\$1,119.18	\$1,245.23	\$1,379.95	\$1,812.00	\$46.72
Gallonge Charge - Per 1,000 Gallons	\$11.98	\$13.33	\$14.77	\$12.12	\$0.31
<b><u>Typical Residential Bills 5/8" x 3/4" Meter</u></b>					
3,000 Gallons	\$52.32	\$58.23	\$64.52	\$52.95	
5,000 Gallons	\$72.28	\$80.45	\$89.14	\$73.15	
10,000 Gallons	\$122.18	\$135.99	\$150.69	\$123.65	
(Wastewater Gallonge Cap - 10,000 Gallons)					