

FLORIDA PUBLIC SERVICE COMMISSION

Item 3

VOTE SHEET

August 6, 2019

FILED 8/6/2019
DOCUMENT NO. 07006-2019
FPSC - COMMISSION CLERK

Docket No. 20160101-WS – Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties by Utilities, Inc. of Florida.

Issue 1: What adjustments should be made to comply with the First District Court of Appeal's mandate?

Recommendation: Based on the record, the flows associated with prepaid customers do not meet the statutory criteria of Section 367.081(2)(a)2.b., F.S., and should be removed. Therefore, the revised used and useful (U&U) values for LUSI's wastewater treatment plant (WWTP) and Sandalhaven's Englewood Water District (EWD) capacity should be 53.54 percent and 42.24 percent, respectively. To reflect the revised U&U percentages, wastewater rate base should be decreased by \$476,060, net depreciation expense should be decreased by \$24,888, and Taxes Other Than Income (TOTI) should be decreased by \$13,426. Additionally, Accumulated Deferred Income Taxes (ADITs) should be reduced by \$6,853.

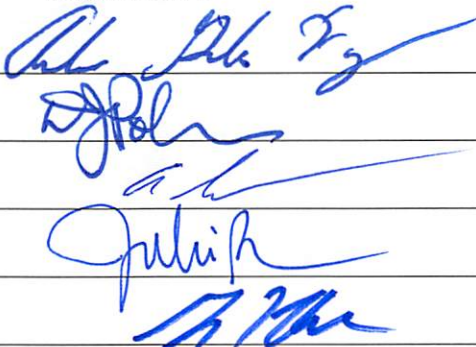
APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING



REMARKS/DISSENTING COMMENTS:

Vote Sheet

August 6, 2019

Item 3

Docket No. 20160101-WS – Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties by Utilities, Inc. of Florida.

(Continued from previous page)

Issue 2: What is the total revenue requirement after staff's recommended adjustments made in accordance with the First District Court of Appeal's mandate?

Recommendation: Based on the adjustments discussed in the previous issue, staff recommends a total revenue requirement of \$15,658,716 for water and \$18,747,174 for wastewater.

APPROVED

Issue 3: What are the appropriate rates after adjustments to comply with the First District Court of Appeal's mandate?

Recommendation: Staff recommends no adjustments to UIF's existing water rates. The appropriate wastewater rates are reflected on Schedule No. 4 as attached and should be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), Florida Administrative Code (F.A.C.). The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved wastewater rates. In addition, the approved wastewater 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 within 10 days of the date of the notice.

APPROVED

Docket No. 20160101-WS – Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties by Utilities, Inc. of Florida.

(Continued from previous page)

Issue 4: Should Utilities, Inc. of Florida be required to make refunds to comply with the First District Court of Appeal's mandate?

Recommendation: Yes. The calculated 0.02 percent refund for water, as well as the Lake Placid additional water interim refund of 0.01 percent, should be booked to CIAC in lieu of a refund to water customers. A 0.49 percent refund should be made to all wastewater customers. In addition, interim refunds are due as detailed in the table below, and because of the de minimis amount, these should be added to the consolidated wastewater refunds made to all customers.

System			Additional Interim Refund Percentage Due
Eagle Ridge Wastewater	–	0.02%	
Labrador Wastewater	–	0.02%	
Pennbrooke Wastewater	–	0.02%	
UIF Marion Wastewater	–	0.01%	
UIF Pasco Wastewater	–	0.01%	
UIF Seminole Wastewater	–	0.02%	

The refunds should be made with interest in accordance with Rule 25-30.360(4), F.A.C., The Utility should be required to submit proper refund reports pursuant to Rule 25-30.360(7), F.A.C. The Utility should treat any unclaimed refunds as CIAC pursuant to Rule 25-30.360(8), F.A.C.

APPROVED

Issue 5: Should the Commission grant Utilities, Inc. of Florida's Motion for Recovery of Appellate Rate Case Expense?

Recommendation: Yes. The appropriate amount of appellate rate case expense is \$39,727. Further, rate case expense should be allocated between the consolidated water and wastewater systems based on equivalent residential connections (ERCs). Additionally, staff recommends the authorization of a regulatory asset to recover the expense in the Utility's next rate proceeding.

APPROVED

Vote Sheet

August 6, 2019

Item 3

Docket No. 20160101-WS – Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties by Utilities, Inc. of Florida.

(Continued from previous page)

Issue 6: Should this docket be closed?

Recommendation: No. This docket should remain open for staff's verification that the Utility has completed the recommended refunds, filed revised tariff sheets, and filed customer notices. For Issue 5, related to the appellate rate case expense, 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 will be issued and the portion of the Order dealing with appellate rate case expense will become final. Once all actions are complete, the docket should be closed.

APPROVED