#### **Eric Fryson**

From:

Judy Hamel < jhamel@sfflaw.com>

Sent:

Tuesday, July 02, 2013 3:09 PM

To:

Filings@psc.state.fl.us

Cc:

Martin Friedman; Dana Rudolf

**Subject:** 

Docket No. 120209-WS; In re: Application of UTILITIES, INC. OF FLORIDA for an

increase in water and wastewater rates in Marion, Orange, Pasco, Pinellas and Seminole

Counties

**Attachments:** 

Notice of Filing.pdf

a) Martin S. Friedman, Esquire Sundstrom, Friedman & Fumero, LLP 766 North Sun Drive, Suite 4030 Lake Mary, Florida 32746 Phone: (407) 830-6331 Fax: (407) 830-8522 mfriedman@sfflaw.com

- b) Docket No. 120209-WS In re: Application of UTILITIES INC. OF FLORIDA for an increase in water and wastewater rates in Marion, Orange, Pasco, Pinellas, and Seminole Counties, Florida
- c) Utilities, Inc. of Florida
- d) 23 pages
- e) Notice of Filing

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of UTILITIES, INC. OF FLORIDA for an increase in water and wastewater rates in Marion, Orange, Pasco, Pinellas, and Seminole Counties, Florida

**DOCKET NO. 120209-WS** 

#### NOTICE OF FILING

Applicant, UTILITIES, INC. OF FLORIDA, by and through its undersigned counsel, hereby gives notice of filing in the above-referenced docket, the Affidavit of Mailing evidencing that the combined Initial Customer Notice and Notice of Interim Rate Increase, has been mailed to the customers of Utilities, Inc. of Florida.

Respectfully submitted this 2<sup>nd</sup> day of July, 2013, by:

mdu

Sundstrom, Friedman & Fumero, LLP 766 North Sun Drive, Suite 4030 Lake Mary, FL 32746

Phone: (407) 830-6331 Fax: (407) 830-8522 mfriedman@sfflaw.com

MARTIN S. FRIEDMAN Florida Bar No.: 0199060

For the Firm

#### AFFIDAVIT OF MAILING

STATE OF ILLINOIS

**COUNTY OF COOK** 

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Adrienne R. Krugler, who, after being duly sworn on oath, did depose on oath and say that she is the Billing Manager of Utilities, Inc., the sole shareholder of Utilities Inc. of Florida ("Utility"), and that on June 28, 2013, she did send by regular U.S. Mail, a copy of the Combined Initial Customer and Interim Rate Notices, attached hereto, to all customers of the respective Utilities.

FURTHER AFFIANT SAYETH NAUGHT.

Print Name: Adrienne R. Krugler Print Title: Billing Manager

Sworn to and subscribed before me this all day of June, 2013, by as identification.

Print Name: NOTARY PUBLIC

My Commission Expires:

OFFICIAL SEAL
ANTOINETTE FEDERICO
HOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSIONEXPIRES 5-4-2015

#### BEFORE THE PUBLIC SERVICE COMMISSION

## INITIAL CUSTOMER NOTICE AND NOTICE OF INTERIM RATE INCREASE

# TO THE ORANGE COUNTY CUSTOMERS OF UTILITIES, INC. OF FLORIDA AND ALL OTHER INTERESTED PERSONS

**RE: DOCKET NO.: 120209-WS** 

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES IN MARION, ORANGE, PASCO, PINELLAS AND SEMINOLE COUNTIES, FLORIDA BY UTILITIES, INC. OF FLORIDA

**DATED: June 28, 2013** 

#### BACKGROUND

On March 29, 2013, the Utility filed an application with the Florida Public Service Commission ("Commission") for increased water and wastewater rates, fees and charges for its customers in Orange, Pasco, Pinellas and Seminole Counties, Florida. The application was assigned Docket No. 120209-WS and May 29, 2013, was established as the official date of filing.

The Utility is requesting a rate increase because the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and a fair return on the Utility's investment in used and useful property for the public use. The rate of return on equity requested in this proceeding is 10.36%. The overall return requested (the weighted cost of debt and equity) is 7.29%. According to the Utility's books, Utilities, Inc. of Florida states that its current overall rate of return without a rate increase is negative. The Utility has requested a permanent revenue increase for its water system of \$39,734 or 34.30%. The requested increase would produce annual revenues of \$155,592 for its water system.

The Company's last rate proceeding and review of rate base was in Docket No. 090462-WS, utilizing a test year ending December 31, 2008, which culminated in Order No. PSC-10-0585-PAA-WS, issued September 22, 2010.

The Utility has incurred substantial additional operating costs and capital investment. Copies of the MFRs, the Rate Case Synopsis, and the Utility's application will be available for inspection at the following locations:

Orange County Public Library 101 E. Central Boulevard Orlando, FL 32810

#### Hours:

Monday - Thursday 9:00 a.m. to 8:00 p.m. Friday & Saturday, 9:00 a.m. to 6:00 p.m. Sunday, 1:00 p.m. to 6:00 p.m.

### NOTICE OF INTERIM RATE INCREASE AND CURRENT AND PROPOSED RATES AND CHARGES

On June 25, 2013, the Florida Public Service Commission approved interim water rates for Utilities, Inc. of Florida customers in Orange County. The interim rates will be effective July 3, 2013. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will include interest based upon Commission determined factors.

The current rates, the Utility's requested interim rates, the Utility's requested final rates and the Commission approved interim rates are set forth below. The final rates are subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners.

#### WATER SERVICE - ORANGE COUNTY

Residential and General Service	Rates Prior to Filing	<u>Utility's</u> <u>Requested</u> <u>Interim</u> <u>Rates</u>	Utility's Requested Final Rates	Commission Approved Interim
Base Facility Charge:				
Meter Size				
5/8" x 3/4"	\$8.03	\$10.22	\$10.86	\$9.25
1"	\$20.10	\$25.59	\$27.18	\$23.15
1 1/2"	\$40.19	\$51.17	\$54.34	\$46.29
<b>2"</b>	\$64.31	\$81.87	\$86.95	\$74.08
3"	\$128.61	\$163.74	\$173.88	\$148.15
4"	\$200.96	\$255.85	<b>\$271.70</b>	\$231.49
6"	\$401.91	\$511.86	\$543.38	\$462.96

Consumption Charge (per 1,000 gallons)				
Residential				
0-6,000 gallons 6,001-8,000 gallons 8,001-16,000 gallons Over 16,000	\$3.27 \$3.46 \$4.33 \$5.18	\$4.16 \$4.40 \$5.51 \$6.59	\$4.42 \$4.68 \$5.85 \$7.00	\$3.77 \$3.99 \$4.99 \$5.97
General Service	\$3.55	\$4.52	\$4.80	\$4.09

#### SERVICE AVAILABILITY CHARGES

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

#### RATE CASE SCHEDULE

In addition to the customer meeting notice described above, other important dates in the rate application are as follows:

Sche		

#### **Due Dates**

Agenda Conference on Interim Rates
Order on Interim Rates
Customer Meeting
Staff's Proposed Agency Action ("PAA")
Recommendation
Agenda Conference on PAA Rates

June 25, 2013 July 15, 2013 August 8, 2013

November 1, 2013 November 14, 2013

#### **HOW TO CONTACT THE COMMISSION**

Any person who wishes to comment or provide information to Commission Staff may do so at the meetings, either orally or in writing. Other written comments regarding the Utility and the proposed rates, or requests to be placed on the mailing list for this case, may be directed to this address:

Florida Public Service Commission
Director, Division of Commission Clerk and Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

A courtesy copy of written comments and complaints may be mailed to the following:

Martin S. Friedman, Esquire Sundstrom, Friedman & Fumero, LLP 766 North Sun Drive, Suite 4030 Lake Mary, Florida 32746

All correspondence should refer to "Docket No. 120209-WS, Utilities, Inc. of Florida". Your letter will placed in the correspondence file of this docket. You may also submit comments through the Florida Public Service Commission's toll-free facsimile line at 1-800-511-0809, or the Commission's website available at <a href="http://floridapsc.com/consumers/complaint/index.cfm">http://floridapsc.com/consumers/complaint/index.cfm</a>.

If you wish to contact the Florida Public Service Commission regarding complaints about service, you may call the Commission's Division of Regulatory and Consumer Assistance at the following toll-free number 1-800-342-3552.

This notice was prepared by the Utility and approved by Commission Staff for distribution by the Utility to its customers.

If you have any questions, please call the Utility=s office at (800) 272-1919.

Utilities, Inc. of Florida

#### BEFORE THE PUBLIC SERVICE COMMISSION

## INITIAL CUSTOMER NOTICE AND NOTICE OF INTERIM RATE INCREASE

TO THE SEMINOLE COUNTY CUSTOMERS OF UTILITIES, INC. OF FLORIDA AND ALL OTHER INTERESTED PERSONS

**RE: DOCKET NO.: 120209-WS** 

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES IN MARION, ORANGE, PASCO, PINELLAS AND SEMINOLE COUNTIES, FLORIDA BY UTILITIES, INC. OF FLORIDA

DATED: June 28, 2013

#### BACKGROUND

On March 29, 2013, the Utility filed an application with the Florida Public Service Commission ("Commission") for increased water and wastewater rates, fees and charges for its customers in Orange, Pasco, Pinellas and Seminole Counties, Florida. The application was assigned Docket No. 120209-WS and May 29, 2013, was established as the official date of filing.

The Utility is requesting a rate increase because the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and a fair return on the Utility's investment in used and useful property for the public use. The rate of return on equity requested in this proceeding is 10.36%. The overall return requested (the weighted cost of debt and equity) is 7.76%. According to the Utility's books, Utilities, Inc. of Florida states that its current overall rate of return without a rate increase is 4.05% for the water system and 3.76% for the wastewater system. The Utility has requested a permanent revenue increase of \$294,501 or 33.7% for its water system and \$214,360 or 26.26% for its wastewater system. The requested increase would produce annual revenues of \$1,168,514 for its water system and \$1,030,621 for its wastewater system.

The Company's last rate proceeding and review of rate base was in Docket No. 090462-WS, utilizing a test year ending December 31, 2008, which culminated in Order No. PSC-10-0585-PAA-WS, issued September 22, 2010.

The Utility has incurred substantial additional operating costs and capital investment. Copies of the MFRs, the Rate Case Synopsis, and the Utility's application will be available for inspection at the following locations:

Utilities, Inc. of Florida 200 Weathersfield Avenue Altamonte Springs, FL 32714

Hours: Monday through Friday 8:00 a.m. to 4:30 p.m.

### NOTICE OF INTERIM RATE INCREASE AND CURRENT AND PROPOSED RATES AND CHARGES

On June 25, 2013, the Florida Public Service Commission approved interim water rates for Utilities, Inc. of Florida customers in Seminole County. The interim rates will be effective July 3, 2013. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will include interest based upon Commission determined factors.

The current rates, the Utility's requested interim rates, the Utility's requested final rates and the Commission approved interim rates are set forth below. The final rates are subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners.

#### **WATER SERVICE - SEMINOLE COUNTY**

Residential and General Service	Rates Prior to Filing	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim
Base Facility Charge: Meter Size				
5/8" x 3/4"	\$7.23	\$8.15	\$9.72	\$7.59
1"	\$18.08	\$20.39	\$24.30	\$18.98
1 1/2"	\$36.17	\$40.79	\$48.61	\$37.96
2"	\$57.86	\$65.25	\$77.75	\$60.74
3"	\$115.72	\$130.50	\$155,50	\$121.47
4"	\$180.83	\$203.92	\$243.00	\$189.81
6"	\$361.64	\$407.83	\$485.97	\$379.61
Consumption Charges (per 1,000 gallons)				
Residential 0-6,000 6,0001-8,000 8,001-16,000 Over 16,000	\$2.77 \$3.12 \$5.37 \$6.92	\$3.12 \$3.52 \$6.06 \$7.80	\$3.72 \$4.19 \$7.22 \$9.30	\$2.91 \$3.28 \$5.64 \$7.27
General Service	\$3.50	\$3.95	<b>\$</b> 4.70	\$3.67

#### WASTEWAT R SERVICE - SEMINOLE COUNTY

Residential	Rates Prior to Filing	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim
Base Facility Charge:		6 - 1 2	:	<u></u> .
Meter Size				
All meter sizes	\$12.63	\$14.38	\$15.95	\$12.84
Consumption Charge (per 1,000 gallons) (Maximum 10,000 gallons)	\$7.06	\$8.04	\$8.92	<b>\$7</b> .17
Residential Flat Rate (Unmetered)	\$42.79	\$48.71	\$54.04	\$43.50
General Service	Rates Prior to Filing	Utility's Requested Interim Rates	Utility's Requested Final Rates	
Base Facility Charge:				
Meter Size	\$		*	· <del></del>
5/8" x 3/4"	\$12.63	\$14.38	\$15.95	\$12.84
1"	\$31.60	\$35.97	\$39.91	\$32.12
1 ½"	\$63.17	\$71.91	\$79.78	\$64.22
2"	\$101.08	\$115.07	\$127.65	\$102.75
3"	\$202.16	\$230.14	\$255.31	\$205.49
4 <sup>n</sup>	\$315.87	\$359.59	\$398.91	\$321.08
<b>6"</b>	\$631.74	\$719.17	\$797.82	\$642.16
Consumption Charge (per 1,000 gallons)	\$8.46	\$9.63	\$10.68	\$8.60

#### SERVICE AVAILABILITY CHARGES

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

#### RATE CASE SCHEDULE

In addition to the customer meeting notice described above, other important dates in the rate application are as follows:

#### Schedule Item

#### **Due Dates**

Agenda Conference on Interim Rates
Order on Interim Rates
Customer Meeting
Staff's Proposed Agency Action ("PAA")
Recommendation
Agenda Conference on PAA Rates

June 25, 2013 July 15, 2013 August 8, 2013

November 1, 2013 November 14, 2013

#### **HOW TO CONTACT THE COMMISSION**

Any person who wishes to comment or provide information to Commission Staff may do so at the meetings, either orally or in writing. Other written comments regarding the Utility and the proposed rates, or requests to be placed on the mailing list for this case, may be directed to this address:

Florida Public Service Commission
Director, Division of Commission Clerk and Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

A courtesy copy of written comments and complaints may be mailed to the following:

Martin S. Friedman, Esquire Sundstrom, Friedman & Fumero, LLP 766 North Sun Drive, Suite 4030 Lake Mary, Florida 32746 All correspondence should refer to "Docket No. 120209-WS, Utilities, Inc. of Florida". Your letter will placed in the correspondence file of this docket. You may also submit comments through the Florida Public Service Commission's toll-free facsimile line at 1-800-511-0809, or the Commission's website available at <a href="http://floridapsc.com/consumers/complaint/index.cfm">http://floridapsc.com/consumers/complaint/index.cfm</a>.

If you wish to contact the Florida Public Service Commission regarding complaints about service, you may call the Commission's Division of Regulatory and Consumer Assistance at the following toll-free number 1-800-342-3552.

This notice was prepared by the Utility and approved by Commission Staff for distribution by the Utility to its customers.

If you have any questions, please call the Utility=s office at (800) 272-1919.

Utilities, Inc. of Florida

#### BEFORE THE PUBLIC SERVICE COMMISSION

## INITIAL CUSTOMER NOTICE AND NOTICE OF INTERIM RATE INCREASE

TO THE PASCO COUNTY CUSTOMERS OF UTILITIES, INC. OF FLORIDA AND ALL OTHER INTERESTED PERSONS

**RE: DOCKET NO.: 120209-WS** 

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES IN MARION, ORANGE, PASCO, PINELLAS AND SEMINOLE COUNTIES, FLORIDA BY UTILITIES, INC. OF FLORIDA

**DATED:** June 28, 2013

#### **BACKGROUND**

On March 29, 2013, the Utility filed an application with the Florida Public Service Commission ("Commission") for increased water and wastewater rates, fees and charges for its customers in Orange, Pasco, Pinellas and Seminole Counties, Florida. The application was assigned Docket No. 120209-WS and May 29, 2013, was established as the official date of filing.

The Utility is requesting a rate increase because the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and a fair return on the Utility's investment in used and useful property for the public use. The rate of return on equity requested in this proceeding is 10.36%. The overall return requested (the weighted cost of debt and equity) is 7.63%. According to the Utility's books, Utilities, Inc. of Florida states that its current overall rate of return without a rate increase is 3.46% for the water system and 7.19% for the wastewater system. The Utility has requested a permanent revenue increase of \$327,912 or 36.28% for its water system and \$44,343 or 8.43% for its wastewater system. The requested increase would produce annual revenues of \$1,231,671 for its water system and \$570,388 for its wastewater system.

The Company's last rate proceeding and review of rate base was in Docket No. 090462-WS, utilizing a test year ending December 31, 2008, which culminated in Order No. PSC-10-0585-PAA-WS, issued September 22, 2010.

The Utility has incurred substantial additional operating costs and capital investment. Copies of the MFRs, the Rate Case Synopsis, and the Utility's application will be available for inspection at the following locations:

Regency Park Branch Library 9701 Little Road New Port Richey, FL 34654

#### Hours:

Tuesday 10:00 a.m. to 9:00 p.m. Wednesday 11:00 a.m. to 6:00 p.m. Thursday 11:00 a.m. to 8:00 p.m. Friday 11:00 a.m. to 5:00p.m. Saturday, 11:00 a.m. to 4:00 p.m. Sunday & Monday - Closed

### NOTICE OF INTERIM RATE INCREASE AND CURRENT AND PROPOSED RATES AND CHARGES

On June 25, 2013, the Florida Public Service Commission approved interim water rates for Utilities, Inc. of Florida customers in Pasco County. The interim rates will be effec ive July 3, 2013. The interim rates will be collected subject to refund, pending the Florida Public Service Commission's final decision regarding final rates. If a refund is ordered, it will include interest based upon Commission determined factors.

The current rates, the Utility's requested interim rates, the Utility's requested final rates and the Commission approved interim rates are set forth below. The final rates are subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners.

#### **WATER SERVICE - PASCO COUNTY**

Residential and General Service	Rates Prior to Filing	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim
Base Facility Charge;				
Meter Size	-			:
5/8" x 3/4"	\$12.35	\$14.77	\$16.89	\$12.99
3/4"	\$18.54	\$22.18	\$25.36	\$19.50
1"	\$30.89	\$36.95	\$42.25	\$32.50
1 1/2"	\$61.76	\$73.88	\$84.48	\$64.97
2"	\$98.82	\$118.22	\$135.17	\$103.96
3"	\$197.63	\$236.42	\$270.32	\$207.91
4"	\$308.80	\$369.41	\$422.38	\$324.86
6"	\$617.61	\$738.84	\$844.77	\$649.73
Consumption Charge (per 1,000 gallons)	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			t in the second
Residential				
0-3,000 gallons	\$3.71	\$4.44	\$5.07	\$3.90
Over 3,000 gallons	\$4.02	\$4.81	\$5.50	\$4.23
General Service	\$3.78	\$4.52	\$5.17	\$3.98

#### WASTEWATER SERVICE - PASCO COUNTY

Residential All areas except Buena Vista Manor, Oak Hill Developments and those areas formerly served by Bartelt Enterprises, Inc., d/b/a Wis-Bar Utilities	Rates Prior to Filing	Utility's Requested Interim Rates	<u>Utility's</u> <u>Requested</u> <u>Final Rates</u>	Commission Approved Interim
Base Facility Charge:			The state of the s	
Meter Size	A			
All meter sizes	\$14.49	N/A	\$15.71	N/A
Consumption Charge (per 1,000 gallons) (Maximum 6,000 gallons)	\$12,31	N/A	\$13.35	· · · · · · · · · · · · · · · · · · ·
Residential Buena Vista Manor, Oak Hill Developments and those areas formerly served by Bartelt Enterprises, Inc., d/b/a Wis-Bar Utilities	Rates Prior to Filing	Utility's requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim
Base Facility Charge: Meter Size				
All meter sizes	\$11.16	N/A	\$12.10	N/A
Consumption Charge (per 1,000 gallons) (Maximum 6,000 gallons)	\$8.29	N/A	\$8.99	N/A

General Service	Rates Prior to Filing	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim
Base Facility Charge: Meter Size		-	: 200	
5/8" x 3/4"	\$14.49	N/A	\$15.71	N/A
3/4"	\$21.74	N/A	\$23.58	N/A
1"	\$36.23	N/A	\$39.29	N/A
1 1/2"	\$72.45	N/A	\$78.57	N/A
2"	\$115.92	N/A	\$125.72	N/A
3," -	\$231.82	N/A	\$251.41	N/A
4" .	\$362.23	N/A	\$392.84	N/A
6"	\$724.47	N/A	\$785.69	N/A
Consumption Charge (per 1,000 gallons)	\$16.34	N/A	\$17.72	N/A
Multi-Residential Buena Vista Manor, Oak Hill Developments and those areas formerly served by Bartelt Enterprises, Inc., d/b/a Wis-Bar Utilities	Rates Prior to Filing	Utility's Requested Interim Rates	<u>Utility's</u> <u>Requested</u> <u>Final Rates</u>	Commission Approved Interim
Flat Rate	\$27.91	N/A	\$30.27	N/A
Base Facility Charge:				
Meter Size				: 
5/8"	\$27.40	N/A	\$29.72	N/A
1"	\$27.89	N/A	\$30.25	N/A
Consumption Charge (per 1,000 gallons)	\$16.58	N/A	<b>\$</b> 17.98	N/A

#### SERVICE AVAILABILITY CHARGES

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

#### RATE CASE SCHEDULE

In addition to the customer meeting notice described above, other important dates in the rate application are as follows:

#### Schedule Item

#### **Due Dates**

Agenda Conference on Interim Rates
Order on Interim Rates
Customer Meeting
Staff's Proposed Agency Action ("PAA")
Recommendation
Agenda Conference on PAA Rates

June 25, 2013 July 15, 2013 August 7, 2013

November 1, 2013 November 14, 2013

#### HOW TO CONTACT THE COMMISSION

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Florida Public Service Commission
Director, Division of Commission Clerk and Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

A courtesy copy of written comments and complaints may be mailed to the following:

Martin S. Friedman, Esquire Sundstrom, Friedman & Fumero, LLP 766 North Sun Drive, Suite 4030 Lake Mary, Florida 32746 All correspondence should refer to "Docket No. 120209-WS, Utilities, Inc. of Florida". Your letter will placed in the correspondence file of this docket. You may also submit comments through the Florida Public Service Commission's toll-free facsimile line at 1-800-511-0809, or the Commission's website available at <a href="http://floridapsc.com/consumers/complaint/index.cfm">http://floridapsc.com/consumers/complaint/index.cfm</a>.

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This notice was prepared by the Utility and approved by Commission Staff for distribution by the Utility to its customers.

If you have any questions, please call the Utility=s office at (800) 272-1919.

Utilities, Inc. of Florida

#### BEFORE THE PUBLIC SERVICE COMMISSION

#### INITIAL CUSTOMER NOTICE

# TO THE PINELLAS COUNTY CUSTOMERS OF UTILITIES, INC. OF FLORIDA AND ALL OTHER INTERESTED PERSONS

**RE: DOCKET NO.: 120209-WS** 

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES IN MARION, ORANGE, PASCO, PINELLAS AND SEMINOLE COUNTIES, FLORIDA BY UTILITIES, INC. OF FLORIDA

DATED: June 28, 2013

#### BACKGROUND

On March 29, 2013, the Utility filed an application with the Florida Public Service Commission ("Commission") for increased water and wastewater rates, fees and charges for its customers in Orange, Pasco, Pinellas and Seminole Counties, Florida. The application was assigned Docket No. 120209-WS and May 29, 2013, was established as the official date of filing.

The Utility is requesting a rate increase because the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and a fair return on the Utility's investment in used and useful property for the public use. The rate of return on equity requested in this proceeding is 10.36%. The overall return requested (the weighted cost of debt and equity) is 7.81%. According to the Utility's books, Utilities, Inc. of Florida states that its current overall rate of return without a rate increase is 2.52%. The Utility has requested a permanent revenue increase for its water system of \$74,734 or 71.17%. The requested increase would produce annual revenues of \$179,736 for its water system.

The Company's last rate proceeding and review of rate base was in Docket No. 090462-WS, utilizing a test year ending December 31, 2008, which culminated in Order No. PSC-10-0585-PAA-WS, issued September 22, 2010.

The Utility has incurred subsantial additional operating costs and capital investment. Copies of the MFRs, the Rate Case Synopsis, and the Utility's application will be available for inspection at the following locations:

St. Petersburg Public Library, South Branch 2300 Roy Hanna Drive South St. Petersburg, Florida 33712

Hours: Monday, Wednesday, Friday 10:00 a.m. to 6:00 p.m. Tuesday and Thursday 10:00 a.m. to 8:00 p.m. Saturday noon to 6:00 p.m. Sunday -Closed

#### NOTICE OF CURRENT AND PROPOSED RATES AND CHARGES

The current rates, the Utility's requested interim rates, the Utility's requested final rates and the Commission approved interim rates are set forth below. The final rates are subject to change based on information gathered at the customer meeting, further Staff review, and the final decision by the Commissioners.

#### WATER SERVICE - PINELLAS COUNTY

Residential, General Service and Multi-Family	Rates Prior to Filing	Utility's Requested Interim Rates	<u>Utility's</u> <u>Requested</u> <u>Final Rates</u>	Commission Approved Interim
Base Facility Charge: Meter Size		***		
5/8" x 3/4"	\$7.17	\$8.48	\$12.32	N/A
Ţn.	\$17.93	\$21.20	\$30.81	N/A
1 1/2"	\$35.85	\$42.39	\$61.60	N/A
2"	\$57.38	\$67.84	\$98.60	N/A
3"	\$114.75	\$135.67	\$197.17	N/A
4"	\$179.29	\$211.98	\$308.07	N/A
6"	<b>\$</b> 358.58	\$423.95	\$616.15	N/A
Consumption Charge (per 1,000 gallons)			:	
Residential				
0-3,000 gallons Over 3,000 gallons	\$3.94 \$4.38	\$4.66 \$5.18	\$6.77 \$7.53	N/A N/A
Multi-Residential and General Service	\$4.03	\$4.76	\$6.92	N/A

#### SERVICE AVAILABILITY CHARGES

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

#### RATE CASE SCHEDULE

In addition to the customer meeting notice described above, other important dates in the rate application are as follows:

Due Dates

Deficable (CIII)	Duc Dates
Agenda Conference on Interim Rates	June 25, 2013
Order on Interim Rates	July 15, 2013
Customer Meeting	August 7, 2013
Staff's Proposed Agency Action ("PAA")	<del>70</del>
Recommendation	November 1, 2013
Agenda Conference on PAA Rates	November 14, 2013

Schedule Item

#### HOW TO CONTACT THE COMMISSION

Any person who wishes to comment or provide information to Commission Staff may do so at the meetings, either orally or in writing. Other written comments regarding the Utility and the proposed rates, or requests to be placed on the mailing list for this case, may be directed to this address:

Florida Public Service Commission
Director, Division of Commission Clerk and Administrative Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

A courtesy copy of written comments and complaints may be mailed to the following:

Martin S. Friedman, Esquire Sundstrom, Friedman & Fumero, LLP 766 North Sun Drive, Suite 4030 Lake Mary, Florida 32746

All correspondence should refer to "Docket No. 120209-WS, Utilities, Inc. of Florida". Your letter will placed in the correspondence file of this docket. You may also submit comments through the Florida Public Service Commission's toll-free facsimile line at 1-800-511-0809, or the Commission's website available at <a href="http://floridapsc.com/consumers/complaint/index.cfm">http://floridapsc.com/consumers/complaint/index.cfm</a>.

If you wish to contact the Florida Public Service Commission regarding complaints about service, you may call the Commission's Division of Regulatory and Consumer Assistance at the following toll-free number 1-800-342-3552.

This notice was prepared by the Utility and approved by Commission Staff for distribution by the Utility to its customers.

If you have any questions, please call the Utility=s office at (800) 272-1919.

Utilities, Inc. of Florida