

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase
in water rates in Charlotte
County by Bocilla Utilities, Inc.

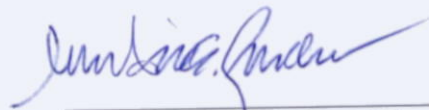
Docket No. 160065-WU

NOTICE OF FILING

Applicant, BOCILLA UTILITIES, INC., by and through its undersigned attorneys, hereby gives notice of filing, in the above-referenced docket, the Affidavit of Mailing, evidencing that the Combined Initial and Interim Rate Customer Notice was sent by regular mail on August 26, 2016 to all customers of the Utility.

Respectfully submitted this 30th day of
August, 2016, by:

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BEFORE THE PUBLIC SERVICE COMMISSION

COMBINED INITIAL CUSTOMER NOTICE
AND
NOTICE OF INTERIM RATE INCREASE

TO THE CUSTOMERS OF
BOCILLA UTILITIES, INC.
AND
ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 160065-WU

APPLICATION FOR INCREASE IN WATER RATES IN
CHARLOTTE COUNTY BY BOCILLA UTILITIES, INC.

DATED: August 26, 2016

BACKGROUND

Bocilla Utilities, Inc. (the "Utility") is a water utility whose offices are located at 7025-A Placida Road, Englewood, Florida 34224. The Utility's water facilities are located in Charlotte County, Florida.

On May 24, 2016, the Utility filed an application with the Florida Public Service Commission (the "Commission") for an increase in its water rates to its customers in Charlotte County based on an historical test year ending December 31, 2015. Final rates and interim rates are based upon the same test year. The application is assigned Docket No. 160065-WU and July 19, 2016 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 an opportunity to earn 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 10.5%. The overall rate of return requested is 5.92%. According to the Utility's books, Bocilla Utilities, Inc. states that its adjusted current overall rate of return without a rate increase is a negative 4.08%. This is the Utility's first rate filing since it has been in operation.

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 location:

Englewood Charlotte Public Library 3450 N. Access Road Englewood, Florida 34224	Hours: Tuesday – Thursday: 10:00am to 6:00pm Friday – 10:00am to 5:00pm Saturday: 10:00am to 2:00pm Sunday & Monday: Closed
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The test period for setting rates is the historical period ended December 31, 2015.

INTERIM RATES

On August 9, 2016, the Florida Public Service Commission approved an interim water rate increases for Bocilla Utilities, Inc. The interim rates will be effective August 31, 2016. 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 water rates, the Utility's requested interim water rates, the Utility's requested final water and the Commission approved interim water rates are set forth below. The final water 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

<u>Residential, Bulk and General Service</u>	<u>Current Rates</u>	<u>Utility's Requested Interim</u>	<u>Utility's Requested Final</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge by Meter Size				
5/8" x 3/4"	\$46.24	\$55.22	\$64.46	\$53.83
1"	\$115.60	\$138.05	\$161.16	\$134.38
1 1/2"	\$231.18	\$276.10	\$322.31	\$269.15
2"	\$369.85	\$441.77	\$515.70	\$430.64
3"	\$693.55	\$828.31	\$966.94	\$861.28
4"	\$1,153.93	\$1,380.52	\$1,611.56	\$1,345.75
6"	\$2,324.85	\$2,761.05	\$3,223.15	\$2,691.50
8"	\$3,699.02	\$4,417.68	\$5,157.04	\$4,306.40
Charge per 1,000 Gallons-Residential and				
0-6,000 gallons	\$4.62	\$5.52	\$6.44	\$5.38
6,001-12000 gallons	\$7.76	\$9.27	\$10.83	\$9.03
Over 12,000 gallons	\$12.32	\$14.56	\$16.99	\$14.34
Charge per 1000 gallons-Bulk Water	\$16.48	\$19.47	\$22.72	\$19.19

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.

PROCEDURES AFTER CUSTOMER MEETINGS

The following tentative schedule was established by the Commission for the remaining major events in the Utility's rate case (a customer meeting will be scheduled and you will be provided with a separate notice of its date, time and location):

<u>Schedule Item</u>	<u>Due Date</u>
Staff's PAA Recommendation	11/22/2016
Agenda Conference on PAA Rates	12/06/2016
PAA Order Issued	12/27/2016
Protest Period Expires	01/17/2017
Consummating Order if no Protest	01/24/2017

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, Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

A courtesy copy of written comments and complaints is not required, but may be mailed to the following:

Martin S. Friedman, Esquire
Friedman & Friedman, P.A.
766 North Sun Drive, Suite 4030
Lake Mary, Florida 32746

All correspondence should refer to "Docket No. 160065-WU, Bocilla Utilities, Inc." Your letter will be 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 <http://floridapsc.com/ConsumerAssistance/ComplaintForm>.

If you wish to contact the Florida Public Service Commission regarding complaints about service, you may call the Commission's Division of Consumer Assistance and Outreach 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 (941) 769-0561.

Bocilla Utilities, Inc.