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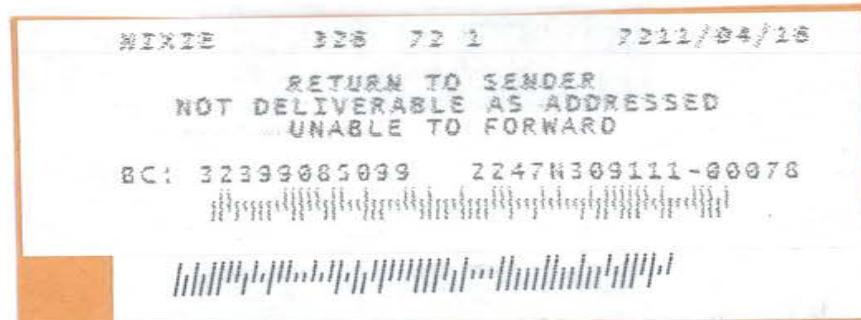
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COMMISSION  
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Dkt: 150269



Charles A. Poppelreiter  
11821 Boynton Ln.  
New Port Richey, FL 34654



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for limited proceeding water rate increase in Marion, Pasco, and Seminole Counties, by Utilities, Inc. of Florida.

DOCKET NO. 150269-WS  
ORDER NO. PSC-16-0505-PAA-WS  
ISSUED: October 31, 2016

The following Commissioners participated in the disposition of this matter

JULIE I. BROWN, Chairman  
LISA POLAK EDGAR  
ART GRAHAM  
RONALD A. BRISÉ  
JIMMY PATRONIS

NOTICE OF PROPOSED AGENCY ACTION  
ORDER GRANTING AN INCREASE IN RATES FOR UTILITIES, INC. OF FLORIDA  
AND  
ORDER REQUIRING FOUR-YEAR RATE REDUCTION

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein, except for requiring a four-year reduction in rates is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

Utilities, Inc. of Florida (UIF or Utility) is a Class A utility providing water and wastewater service to twenty-seven systems in the following counties: Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole. On December 30, 2015, the Utility requested a limited proceeding water rate increase for Marion, Pasco, and Seminole Counties. UIF is a wholly-owned subsidiary of Utilities, Inc. (UI). The Utility's last rate case was in 2012.<sup>1</sup>

The petition for a limited proceeding was filed pursuant to Rule 25-30.446, Florida Administrative Code (F.A.C.). Driving the limited proceeding were galvanized service line replacement costs in Marion County, the loss of irrigation customers, plant additions, and

<sup>1</sup> Order No. PSC-14-0025-PAA-WS, issued January 10, 2014, in Docket No. 120209-WS, In re: Application for increase in water and wastewater rates in Marion, Orange, Pasco, Pinellas, and Seminole Counties by Utilities, Inc. of Florida.

purchased water costs in Pasco County, and interconnection plant addition costs in Seminole County.<sup>2</sup>

On March 24, 2016, the Office of Public Counsel (OPC) filed a notice of intervention in this proceeding, and an Order acknowledging intervention was issued on April 4, 2016.<sup>3</sup> Prior to the notice of intervention, OPC submitted a letter, dated February 2, 2016, outlining concerns that OPC had with the Utility's petition for Marion, Pasco, and Seminole Counties.<sup>4</sup> UIF responded to OPC's concerns in a letter dated March 2, 2016.<sup>5</sup>

An estimated 500 customers attended the 2 customer meetings held in New Port Richey (Pasco County) on April 12, 2016, with 175 customers providing comments. No customers attended the meeting held on April 13, 2016, in Ocala for the customers in Marion and Seminole Counties.

UIF notified this Commission of its intent to file an application for a rate increase on April 28, 2016, for all regulated systems in Florida. Docket No. 160101-WS was assigned to the forthcoming consolidated proceeding.<sup>6</sup> The Minimum Filing Requirements for Docket No. 160101-WS were filed on August 31, 2016, based on a historical test year ended December 31, 2015.

By letter dated June 8, 2016, UIF requested that the portion of this limited proceeding addressing a rate increase in Pasco County be bifurcated from the portion addressing rate increases in Marion and Seminole Counties.<sup>7</sup> OPC filed a response to UIF's bifurcation request on June 13, 2016.<sup>8</sup> As a result, rate increases were addressed at the July 7, 2016 Commission Conference for Marion and Seminole Counties only. This Commission's vote on the limited proceeding for Marion and Seminole Counties was codified in Order No. PSC-16-0296-PAA-WS, issued July 27, 2016. A consummating order was issued in Order No. PSC-16-0342-CO-WS on August 22, 2016.

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<sup>2</sup> On April 12, 2016, this Commission acknowledged the reorganization and name change of UI's systems in Florida. The instant docket applies only to the former Utilities, Inc. of Florida systems, and does not include Labrador Utilities, Inc. in Pasco County. Order No. PSC-16-0143-FOF-WS, issued April 12, 2016, in Docket No. 150235-WS, In re: Joint application for acknowledgement of corporate reorganization and request for approval of name changes on water and/or wastewater certificates of Cypress Lakes Utilities, Inc. in Polk County; Utilities, Inc. of Eagle Ridge in Lee County; Utilities, Inc. of Florida in Marion, Orange, Pasco, Pinellas, and Seminole Counties; Labrador Utilities, Inc. in Pasco County; Lake Placid Utilities, Inc. in Highlands County; Lake Utility Services, Inc. in Lake County; Utilities, Inc. of Longwood in Seminole County; Mid-County Services, Inc. in Pinellas County; Utilities, Inc. of Pennbrooke in Lake County; Utilities, Inc. of Sandalhaven in Charlotte County; Sanlando Utilities Corporation in Seminole County; and Tierra Verde Utilities, Inc. in Pinellas County, to Utilities, Inc. of Florida.

<sup>3</sup> Order No. PSC-16-0135-PCO-WS

<sup>4</sup> Document No. 00669-16

<sup>5</sup> Document No. 01120-16

<sup>6</sup> Docket No. 160101-WS, In re: 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.

<sup>7</sup> Document No. 03459-16

<sup>8</sup> Document No. 03641-16