

STATE OF FLORIDA

ANDREW GILES FAY
CHAIRMAN



Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
(850) 413-6046

Public Service Commission

May 18, 2023

Martin Friedman
Dean, Mead, Egerton, Bloodworth, Capouano & Bozarth, P.A.
420 South Orange Avenue, Suite 700
Orlando, FL 32801

Re: Docket No. 20230066-SU - Application for increase in wastewater rates in Lee County by Forest Utilities, Inc.

Dear Mr. Friedman:

The Florida Public Service Commission received your letter on May 1, 2023, regarding a proposed rate case by Forest Utilities, Inc. (Forest or Utility). In that letter, Forest requested to use a historic test year ended December 31, 2022, for establishing interim and final rates.

Pursuant to Rule 25-30.430, Florida Administrative Code (F.A.C.), Forest's test year request as outlined above is hereby approved for purposes of filing its Minimum Filing Requirements (MFRs). Docket No. 20230066-SU has been assigned to the forthcoming case. Your petition will be deemed filed on the date the Office of Commission Clerk receives the complete petition, the MFRs, and the full filing fee. To process this case expeditiously, we request that you file the above no later than October 2, 2023.

Pursuant to Section 367.083, Florida Statutes (F.S.), the official filing date will be the date that complete corrections to any deficiencies, if any, are filed. Please note that many schedules included in the MFRs are designed with a column titled "Balance Per Books." This column must reflect the balances on the general ledger and be reconciled with the balances reported in the Utility's Annual Report on file with the Commission. This requirement is applicable to all primary account balances as required by the NARUC Uniform System of Accounts. Pursuant to Rule 25-30.110(2), F.A.C., all data the Commission requests and requires to be submitted in determining a utility's rates "shall be consistent with and reconcilable with the utility's annual report to the Commission."

In addition, Forest should satisfactorily document that it has recorded all adjustments to the Utility's general ledger and accounts that have been ordered by the Commission in any prior proceeding relating to this system. If adjustments were ordered for prior periods that impact subsequent years, the related adjustments must also be made to reflect the impact for the appropriate period up to and including the approved test year. Further, Forest should be prepared to justify its requested test year operation and maintenance expenses, particularly those expenses

Martin Friedman

Page 2

May 18, 2023

which have increased above the level of customer growth and inflation since the test year utilized in the last rate case.

The Utility is instructed to file all information it wishes the Commission to consider when arriving at a decision on its rate case application with its original filing. Because of the time limitations contained in Section 367.081, F.S., and the lengthy auditing and investigation required, the Commission may disregard any information not filed with the original application. Approval of the test year for filing purposes does not mean that an issue regarding the appropriateness of the test period could not be raised during the proceeding. If you have any questions, please contact Justin Sowards at (850) 413-6844 or jsowards@psc.state.fl.us.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew Giles Fay", is written over a light blue horizontal line.

Andrew Giles Fay
Chairman

AGF/JS:wt

cc: Braulio Baez, Executive Director
Mark Futrell, Deputy Executive Director - Technical
Keith Hetrick, General Counsel
Mary Anne Helton, Deputy General Counsel
Division of Accounting and Finance (Maurey)
Office of Auditing and Performance Analysis (Hicks)
Division of Economics (Harlow)
Division of Engineering (Ballinger)
Office of the General Counsel (J. Crawford)
Office of Commission Clerk (Docket No. 20230066-SU)
Walter Trierweiler, Office of Public Counsel