

**FLORIDA UTILITY SERVICES 1, LLC
5911 TROUBLE CREEK ROAD
NEW PORT RICHEY, FL 34652
(863) 904-5574**

1/21/2025

Commission Clerk
Florida Public Service Commission
2540 Shumard Oak, Blvd.
Tallahassee, FL 32399

RE:


Docket No. 20240119-WU - Application for staff-assisted rate case in Polk County by Alturas Water, LLC.

Docket No. 20240105-SU - Application for staff-assisted rate case In Polk County by West Lakeland Wastewater, LLC.

Commission Clerk,

Please find enclosed supplemental information that Florida Utility Services 1, LLC request to be included and considered for the Alturas Water, LLC (ALT) and West Lakeland Wastewater, LLC (WLW) docketed proceedings referenced above.

On behalf of the utility



Michael Smallridge
Florida Utility Services 1, LLC

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COMMISSION
CLERK

On November 4, 2022, Florida Utility Services 1, LLC (FUS1) filed an application for a limited alternative rate increase (LARI) pursuant to Rule 25-30.457, Florida Administrative Code (F.A.C.) for the following systems: Charlie Creek Utilities, LLC; Crestridge Utilities, LLC; East Marion, LLC; Heather Hills Utilities, Holiday Gardens Utilities, LLC; Lake Yale Utilities, LLC; McLeod Gardens, LLC; Orange Land Utilities, LLC; Sunny Shores Utilities, LLC; Sunrise Water, LLC; and West Lakeland Wastewater, LLC in Docket No. 20220185-WS.

In that filing, FUS1 requested for increased rates to recover the authorized rate of returns or operating margins that were approved in the Utilities last rate proceedings and to seek recovery of proforma Operation & Maintenance, Depreciation, and, Taxes Other Than Income Expenses.

Order No. PSC-2023-0192-PAA-WS, issued June 30, 2023, approved FUS1 requested rate increases, subject to refund, without comment on the supporting justifications for the proforma Operation & Maintenance expense increases requested. Specifically, FUS1 requested, (1) Increased base salary levels for its officer & employees, (2) New part-time payroll & benefits position, and (3) New pension and benefits plan for its employees.

The tariff rates granted to the FUS1 systems in the LARI proceeding include the requested proforma expenses and have been recovered since the new rates went into effect in 2023.

FUS1 respectfully request that the proforma Operation & Maintenance, Depreciation, and, Taxes Other Than Income Expenses requested in - Docket No. 20220185-WS, Commission Document No. 10932-2022, filed on November 4, 2022, be formally acknowledged and approved as justified in the ALT and WLW SARC proceedings. There is no need to make any adjustments to the current ALT and WLW SARC proceedings, because, the proforma expenses that were requested in the LARI proceeding are already included in the historical test years for those systems.

With this filing, FUS1 is now requesting the following additional proforma expense item to be considered and included for the current ALT and WLW rate case proceedings.

One new entry level Maintenance Tech position with a base salary of \$52,582. This will bring the number of field technicians servicing FUS1's 19 water and wastewater systems from 4 to 5 employees. The base salary of \$52,582 requested for this new position is the same base level salary that was included in the proforma expense request for the LARI filing mentioned above. Our justification for this salary level was based on an independent salary compensation study that was also provided in the LARI filing.

The estimated additional expense and justification for this new position is shown below.

FUS1 Account	Customer %	Salary Increase
Alturas Water, LLC (ALT)	2.00%	\$1,052
West Lakeland Wastewater, LLC (WLW)	9.00%	\$4,732
Other FUS1 Systems	89.00%	\$46,798
Total Salary	100.00%	\$52,582

FUS1 Account	Customer %	Payroll Tax Increase
Alturas Water, LLC (ALT)	2.00%	\$82
West Lakeland Wastewater, LLC (WLW)	9.00%	\$369
Other FUS1 Systems	89.00%	\$3,650
Total Salary	100.00%	\$4,101

Payroll tax increase calculated using overall tax rate on actual salaries of 7.80%
Then, overall tax rate of 7.80% times increase in salaries of \$52,582 equals \$4,101.

Justification

FUS1 currently operates and maintains 13 water and 3 water and wastewater systems located throughout the state of Florida, serving approximately 3,716 customers. While the number of systems FUS1 manages has remained constant since 2021, the complexity and level of services provided by our field staff technicians to properly and timely maintain those systems has changed. FUS1 has increasingly relied on outside contractors to “fill in the gap” for services that could be provided “in house” which tends to increase the overall cost to serve our customers.

Additionally, our systems in Columbia County have come under Commission jurisdiction, which will affect the operating and reporting requirements for those systems going forward.

With the addition of one new entry level field technician, FUS1 plans to elevate our more experienced field technician to the level of Operations Supervisor. This position will supervise, manage and schedule the remaining 4 field staff technicians, and, he will be responsible for overseeing the daily field operations of all the FUS1 systems.