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October 29, 2025

VIA ELECTRONIC FILING

Mr. Adam J. Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

In re: Petition for Establishment of Allowance for Funds Used During Construction Rate, Sunshine Water Services Company, Effective January 1, 2025.

Dear Mr. Teitzman:

Attached for filing in the above-styled matter is the Amended Petition of Sunshine Water Services Company to Change an Approved AFUDC Rate.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'Matthew Jones'.

Matthew J. Jones

MJJ/dh
Attachment

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Establishment of Allowance for Funds Used During Construction Rate, Sunshine Water Services Company, Effective January 1, 2025.

DOCKET NO. 20250120-WS

FILED: October 29, 2025

AMENDED PETITION TO CHANGE AN APPROVED AFUDC RATE

Pursuant to Chapter 367, Florida Statutes, and Rule 25-30.116, Florida Administrative Code, Sunshine Services Water Company (“SWS” or the “Company”) by and through its undersigned attorneys, requests that the Florida Public Service Commission (“Commission”) change its allowance for funds used during construction (“AFUDC”) rate from 6.43 percent approved in Order No. PSC-2021-0318-PAA-WS to: (a) 7.56 percent for the period January 1 to May 31, 2025, and (b) 8.03 percent effective June 1, 2025 and thereafter until changed by an order of the Commission, and states:

I. Introduction

1. SWS is a water and wastewater utility as defined by Section 367.021(12), Florida Statutes, and is not exempt from regulation by the Commission pursuant to Section 367.022, Florida Statutes. SWS may change its AFUDC rate only with the approval of the Commission under the criteria established in Rule 25-30.116.

2. The calculation of the Company’s proposed 7.56 percent and 8.03 percent AFUDC rates are set out in the attached supporting Schedules and are calculated in accordance with the requirements of Rule 25-30.116.

3. The 7.56 percent AFUDC rate for January 1 to May 31, 2025, is based on

the Company's capital structure and cost rates for the 12-month period January 1, 2024, through December 31, 2024.

4. The 8.03 percent AFUDC rate to be effective June 1, 2025 and thereafter until changed is based on the Company's adjusted capital structure and cost rates for the 12-month period June 1, 2024 through May 31, 2025, as well as its return on equity ("ROE") of 10.05 percent approved on May 6, 2025 in its 2024 rate case (Docket No. 20240068-WS).

5. Approving these proposed AFUDC rates is necessary for SWS to accurately accrue and recover its costs of providing safe and reliable water and wastewater services to its customers for calendar year 2025 and thereafter.

II. Supporting Schedules Attached Pursuant to Rule 25-30.116(5)

6. **Schedules A-1 (7.56 percent) and A-2 (8.03 percent)** show the capital structure, cost rates, and weighted average costs of capital that form the bases for the AFUDC rates calculated in accordance with the provisions of Rule 25-30.116(2). The Company has included documentation to support the end of period cost rates for the long-term (both variable and fixed) and short-term debt as part of Schedules A-1 and A-2.

7. **Schedules B-1 (7.56 percent) and B-2 (8.03 percent)** show the capital structure adjustments and adjusted capital structure that form the bases for the AFUDC rates calculated in accordance with the provisions of Rule 25-30.116(2).

8. **Schedules C-1 (7.56 percent) and C-2 (8.03 percent)** show the calculation of the methodology set out in Rule 25-30.116.

III. Other Information

9. This pleading amends and supersedes the Company's initial petition filed on September 30, 2025. The Company is not responding to any proposed agency action.

10. The name and address of the Petitioner is:

Sunshine Water Services Company
200 Weathersfield Avenue
Altamonte Springs, FL 32714-4099

11. All pleadings, motions, notices, orders, or other documents filed in this proceeding or required to be served upon SWS should be served upon the following individuals:

J. Jeffry Wahlen
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Matthew J. Jones
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123 S. Calhoun Street
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12. The ultimate facts that entitle SWS to the relief requested in this Petition are set forth in paragraphs 1 through 8, above.

13. To the best of the Company's knowledge, this Amended Petition does not involve disputed issues of material facts.

14. SWS is entitled to the relief requested pursuant to Chapters 367 and 120, Florida Statutes.

WHEREFORE, Sunshine Water Services Company requests that the Commission enter an order changing its AFUDC rate from 6.43 percent approved in Order No. PSC-2021-0318-PAA-WS to (a) 7.56 percent for the period January 1 to May 31, 2025 and (b) 8.03 percent effective June 1, 2025 and thereafter until changed by an order of the Commission.

DATED this 29th day of October, 2025.

Respectfully submitted,



J. JEFFRY WAHLEN

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MATTHEW J. JONES

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ATTORNEYS FOR SUNSHINE
WATER SERVICES COMPANY

SCHEDULE A-1

<u>Description</u>	<u>Amount</u>	<u>% of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
(1) Long-Term Debt	\$ 61,488,506	31.28%	5.94%	1.86%
(1) Short-Term Debt	\$ 29,936,184	15.23%	6.73%	1.02%
(2) Customer Deposits	\$ 337,537	0.17%	2.00%	0.00%
(1) Common Equity	\$ 94,275,441	47.96%	9.75%	4.68%
(2) Deferred Tax Liabilities	\$ 5,863,252	2.98%	0.00%	0.00%
(2) Tax Credits - Zero Cost	\$ 59,215	0.03%	0.00%	0.00%
(2) Excess Deferred Tax Liability	<u>\$ 4,627,919</u>	<u>2.35%</u>	<u>0.00%</u>	<u>0.00%</u>
Total	<u>\$ 196,588,056</u>	<u>100.00%</u>		<u>7.56%</u>

(1) The Common Equity, Long-Term Debt, and Short-Term Debt amounts used in Schedule B are derived from the Common Equity, Long-Term Debt, and Short-Term Debt of Nexus Regulated Utilities, LLC

(2) The Customer Deposits, Tax Credits, and Deferred Income Taxes amounts used in Schedule B are derived specifically from the Customer Deposits, Tax Credits, and Deferred Income Taxes of Sunshine Water Services Company

SCHEDULE B-1

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	12-Month Avg./ Year End LTD	Reconciling Adjustments	Capital Structure	
Common Equity:	\$ 427,230,805	\$ 427,393,275	\$ 423,557,059	\$ 423,864,759	\$ 426,261,429	\$ 489,189,219	\$ 491,654,155	\$ 493,934,884	\$ 495,795,121	\$ 496,926,609	\$ 495,480,249	\$ 563,665,090	\$ 471,246,055	\$ (376,970,613)	\$ 94,275,441	
Long-Term Debt - Fixed:													\$ 153,320,032	\$ 153,320,032	\$ (122,647,491)	\$ 30,672,541
Long-Term Debt - Variable:													\$ 154,036,959	\$ 154,036,959	\$ (123,220,993)	\$ 30,815,966
Short-Term Debt:	\$ 60,000,000	\$ 45,000,000	\$ 52,000,000	\$ 208,720,683	\$ 221,742,367	\$ 154,467,908	\$ 172,512,331	\$ 177,556,754	\$ 174,601,176	\$ 184,645,599	\$ 199,690,022	\$ 144,734,444	\$ 149,639,274	\$ (119,703,090)	\$ 29,936,184	
Customer Deposits:	\$ 331,603	\$ 334,731	\$ 335,915	\$ 341,187	\$ 341,983	\$ 340,509	\$ 341,328	\$ 336,136	\$ 334,710	\$ 329,787	\$ 340,728	\$ 341,830	\$ 337,537	\$ -	\$ 337,537	
Deferred Income Taxes:	\$ 5,790,484	\$ 5,796,373	\$ 5,803,279	\$ 5,810,126	\$ 5,816,962	\$ 5,823,881	\$ 5,831,187	\$ 5,837,288	\$ 5,843,609	\$ 5,843,959	\$ 5,850,169	\$ 6,311,710	\$ 5,863,252	\$ -	\$ 5,863,252	
Tax Credits - Zero Cost:	\$ 60,279	\$ 60,082	\$ 59,886	\$ 59,690	\$ 59,493	\$ 59,297	\$ 59,101	\$ 58,904	\$ 58,708	\$ 58,512	\$ 58,512	\$ 58,119	\$ 59,215	\$ -	\$ 59,215	
Excess Deferred Tax Liability:	\$ 4,772,259	\$ 4,746,015	\$ 4,719,772	\$ 4,693,528	\$ 4,667,285	\$ 4,641,041	\$ 4,614,798	\$ 4,588,554	\$ 4,562,311	\$ 4,536,067	\$ 4,509,824	\$ 4,483,580	\$ 4,627,919	\$ -	\$ 4,627,919	
Total:													\$ 939,130,243	\$ (742,542,187)	\$ 196,588,056	

SCHEDULE C-1

Monthly AFUDC Rate

$$M = [(1 + A/100)^{1/12} - 1] * 100$$

Where:

M = discounted monthly AFUDC Rate

A = annual AFUDC rate

$$M = [(1 + 7.56/100)^{1/12} - 1] * 100$$

$$M = 0.00609170 * 100$$

$$M = 0.609170$$

SCHEDULE A-2

<u>Description</u>	<u>Amount</u>	<u>% of Total</u>	<u>Cost Rate</u>	<u>Weighted Cost</u>
(1) Long-Term Debt	\$ 61,719,991	30.25%	5.79%	1.75%
(1) Short-Term Debt	\$ 33,670,391	16.50%	6.28%	1.04%
(2) Customer Deposits	\$ 68,860	0.03%	2.00%	0.00%
(1) Common Equity	\$ 106,417,709	52.16%	10.05%	5.24%
(2) Deferred Tax Liabilities	\$ 1,222,795	0.60%	0.00%	0.00%
(2) Tax Credits - Zero Cost	\$ 11,719	0.01%	0.00%	0.00%
(2) Excess Deferred Tax Liability	<u>\$ 902,313</u>	<u>0.44%</u>	<u>0.00%</u>	<u>0.00%</u>
Total	<u><u>\$ 204,013,778</u></u>	<u><u>100.00%</u></u>		<u><u>8.03%</u></u>

(1) The Common Equity, Long-Term Debt, and Short-Term Debt amounts used in Schedule B are derived from the Common Equity, Long-Term Debt, and Short-Term Debt of Nexus Regulated Utilities, LLC

(2) The Customer Deposits, Tax Credits, and Deferred Income Taxes amounts used in Schedule B are derived specifically from the Customer Deposits, Tax Credits, and Deferred Income Taxes of Sunshine Water Services Company

(3) Amounts reflect pro-ration of capital structure components consistent with most recent Sunshine Water Services Company Final Rate Order, No. PSC-2025-0196-FOF-WS.

SCHEDULE B-2

	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	12-Month Avg./ Year End LTD	Reconciling Adjustments	Capital Structure
Common Equity:	\$ 489,189,219	\$ 491,654,155	\$ 493,934,884	\$ 495,795,121	\$ 496,926,609	\$ 495,480,249	\$ 563,665,090	\$ 564,672,150	\$ 566,495,802	\$ 567,474,972	\$ 569,528,210	\$ 572,304,662	\$ 530,593,427	\$ (424,175,718)	\$ 106,417,709
Long-Term Debt - Fixed:												\$ 153,345,316	\$ 153,345,316	\$ (122,589,833)	\$ 30,755,483
Long-Term Debt - Variable:												\$ 154,387,502	\$ 154,387,502	\$ (123,422,994)	\$ 30,964,508
Short-Term Debt:	\$ 154,467,908	\$ 172,512,331	\$ 177,556,754	\$ 174,601,176	\$ 184,645,599	\$ 199,690,022	\$ 144,734,444	\$ 154,778,867	\$ 164,823,290	\$ 154,867,712	\$ 162,912,135	\$ 168,956,558	\$ 167,878,900	\$ (134,208,509)	\$ 33,670,391
Customer Deposits:	\$ 340,509	\$ 341,328	\$ 336,136	\$ 334,710	\$ 329,787	\$ 340,728	\$ 341,830	\$ 336,136	\$ 352,152	\$ 351,914	\$ 352,770	\$ 361,974	\$ 343,331	\$ (274,472)	\$ 68,860
Deferred Income Taxes:	\$ 5,823,881	\$ 5,831,187	\$ 5,837,288	\$ 5,843,609	\$ 5,843,959	\$ 5,850,169	\$ 6,311,710	\$ 6,479,754	\$ 6,325,013	\$ 6,331,664	\$ 6,338,316	\$ 6,344,967	\$ 6,096,793	\$ (4,873,999)	\$ 1,222,795
Tax Credits - Zero Cost:	\$ 59,297	\$ 59,101	\$ 58,904	\$ 58,708	\$ 58,512	\$ 58,512	\$ 58,119	\$ 58,512	\$ 58,119	\$ 58,119	\$ 58,119	\$ 57,137	\$ 58,430	\$ (46,711)	\$ 11,719
Excess Deferred Tax Liability:	\$ 4,641,041	\$ 4,614,798	\$ 4,588,554	\$ 4,562,311	\$ 4,536,067	\$ 4,509,824	\$ 4,483,580	\$ 4,483,580	\$ 4,431,093	\$ 4,404,850	\$ 4,378,606	\$ 4,352,363	\$ 4,498,889	\$ (3,596,576)	\$ 902,313
Total:													\$ 1,017,202,588	\$ (813,188,810)	\$ 204,013,778

SCHEDULE C-2

Monthly AFUDC Rate

$$M = [(1 + A/100)^{1/12} - 1] * 100$$

Where:

M = discounted monthly AFUDC Rate

A = annual AFUDC rate

$$M = [(1 + 8.03/100)^{1/12} - 1] * 100$$

$$M = 0.00645732 * 100$$

$$M = 0.645732$$

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Amended Petition, filed on behalf of Sunshine Services Water Company, has been furnished by electronic mail on this 29th day of October 2025 to the following:

Ryan Sandy
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
rsandy@psc.state.fl.us
discovery-gcl@psc.state.fl.us



ATTORNEY