

Eric Fryson

From: Dana Rudolf [drudolf@sflaw.com]
Sent: Tuesday, February 07, 2012 11:09 AM
To: Filings@psc.state.fl.us
Cc: Martin Friedman
Subject: Docket No. 110257 -WS; Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation.

Attachments: NOF AOM (Initial Customer and Interim Rate Notice).pdf

- a) Martin S. Friedman, Esquire
Sundstrom, Friedman & Fumero, LLP
766 North Sun Drive, Suite 4030
Lake Mary, FL 32746
Phone: (407) 830-6331
Fax: (407) 830-8522
mfriedman@sflaw.com
- b) Docket No. 110257-WS
Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation.
- c) Sanlando Utilities Corporation
- d) 8 pages
- e) Sanlando Utilities Corporation's Notice of Filing the Affidavit of Mailing of Combined Initial Customer and Interim Rate Notice.

FILED

DOCUMENT NUMBER-DATE

00737 FEB-7 2012

FPSC-COMMISSION CLERK

2/7/2012

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
SANLANDO UTILITIES CORPORATION
for an increase in water and wastewater
rates in Seminole County, Florida

Docket No. 110257-WS

NOTICE OF FILING

Applicant, SANLANDO UTILITIES CORPORATION, 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 Customer and Interim Rate Notice was sent by regular mail on February 2, 2012 to all customers of the Utility.

Respectfully submitted this 7th day of
February, 2012, by:

Sundstrom, Friedman & Fumero, LLP
766 North Sun Drive, Suite 4030
Lake Mary, FL 32746
Phone: (407) 830-6331
Fax: (407) 830-8522
mfriedman@sfflaw.com



MARTIN S. FRIEDMAN
Florida Bar No.: 0199060
For the Firm

DOCUMENT NUMBER-DATE

00737 FEB-7 2012

FPSC-COMMISSION CLERK

AFFIDAVIT OF MAILING

STATE OF ILLINOIS

COUNTY OF COOK

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Steven M. Lubertozi, who, after being duly sworn on oath, did depose on oath and say that he is the Executive Director of Regulatory Accounting & Affairs of Utilities, Inc., the sole shareholder of Sanlando Utilities Corporation ("Utility"), and that on February 2, 2012, he did send by regular U.S. Mail, a copy of the Combined Initial Customer and Interim Rate Notice, attached hereto, to all customers of the Utility.

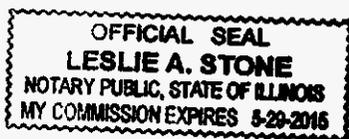
FURTHER AFFIANT SAYETH NAUGHT.



Print Name: Steven M. Lubertozi

Print Title: Executive Director of Regulatory Accounting & Affairs

Sworn to and subscribed before me this 3rd day of February, 2012, by Steven M. Lubertozi, who is personally known to me.



Print Name: Leslie A. Stone

NOTARY PUBLIC

My Commission Expires: May 29, 2015

BEFORE THE PUBLIC SERVICE COMMISSION

**INITIAL CUSTOMER NOTICE
AND
NOTICE OF INTERIM RATE INCREASE**

**TO THE CUSTOMERS OF
SANLANDO UTILITIES CORPORATION
AND
ALL OTHER INTERESTED PERSONS**

RE: DOCKET NO. 110257-WS

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES IN
SEMINOLE COUNTY BY SANLANDO UTILITIES CORPORATION

February 2, 2012

BACKGROUND

Sanlando Utilities Corporation (the "Utility") is a water and wastewater utility whose corporate offices are located at 200 Weathersfield Avenue, Altamonte Springs, Florida. The Utility's water and wastewater facilities are located in Seminole County, Florida.

On October 31, 2011, the Utility filed an application with the Florida Public Service Commission (the "Commission") for an increase in its water and wastewater rates to its customers in Seminole County based on an historical test year ending December 31, 2010. Final rates and interim rates are based upon the same test year. The application is assigned Docket No. 110257-WS and December 22, 2011, 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 10.6%. The overall return requested (the weighted cost of debt and equity) is 8.16%. According to the Utility's books, Sanlando Utilities Corporation states that its adjusted current overall rate of return without a rate increase is 5.04% for the water system and 3.21% for the wastewater system. The Company's last rate proceeding was in Docket No. 090402-WS, utilizing a test year ending December 31, 2008, which culminated in Order No. PSC-10-0423-PAA-WS dated July 1, 2010.

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 locations:

Seminole County Public Library West Branch 245 N. Hunt Club Boulevard Longwood, Florida 32779	Hours: Mon - Thurs: 9am - 8pm Friday: CLOSED Saturday: 9am - 5pm Sunday: 1pm – 5pm
Sanlando Utilities Corp. 200 Weathersfield Avenue Altamonte Springs, FL 32714	Office Hours: Monday through Friday 8:00 a.m. to 4:30 p.m.

The test period for setting rates is the historical average thirteen-month period ended December 31, 2010.

The following tentative schedule was established by the Commission for the remaining major events in the Utility’s rate case:

<u>Schedule Item</u>	<u>Due Date</u>
Staff Audit Report	2/3/2012
Customer Meeting	3/7/2012
Staff’s Proposed Agency Action (“PAA”) Recommendation	5/10/2012
Agenda Conference on PAA Rates	5/22/2012
PAA Order	6/11/2012
Protest Period Expires	7/2/2012
Consummating Order	7/6/2012

NOTICE OF INTERIM RATES, AND CURRENT AND PROPOSED CHARGES

On January 10, 2012, the Florida Public Service Commission approved interim water and wastewater rates for Sanlando Utilities, Corporation. The interim rates will be effective February 7, 2012. 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 rates, the Utility’s requested interim rates, the Utility’s requested final rates and the Commission approved interim rates are set forth below. The final 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, General Service, Bulk Sales and Multi-Family Service</u> Monthly	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge <u>By Meter Size:</u>				
5/8" x 3/4"	\$4.41	\$4.84	\$4.94	\$5.08
3/4"	\$6.63	\$7.26	\$7.41	\$7.62
1"	\$11.04	\$12.10	\$12.35	\$12.70
1 1/2"	\$22.09	\$24.20	\$24.70	\$25.41
2"	\$35.35	\$38.72	\$39.52	\$40.65
3"	\$70.69	\$72.60	\$74.10	\$81.28
4"	\$110.46	\$121.00	\$123.50	\$127.01
6"	\$220.92	\$242.00	\$247.00	\$254.01
8"	\$353.47	\$387.20	\$395.20	\$406.43
Consumption Charges - (per 1,000 gallons):				
<i>Residential</i> 0 – 6,000 gallons	\$0.75	\$0.82	\$0.84	\$0.87
<i>6,001 – 10,000 gallons</i>	\$0.79	\$0.86	\$0.88	\$0.92
<i>10,001 – 15,000 gallons</i>	\$1.01	\$1.10	\$1.13	\$1.16
<i>over 15,000 gallons</i>	\$1.41	\$1.54	\$1.57	\$1.62
<i>General, Multi-Family and Bulk Service</i>	\$1.10	\$1.20	\$1.23	\$1.26

WATER SERVICE (continued)

<u>Private Fire Protection Service</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge				
<u>By Meter Size:</u>				
1 1/2"	\$1.84	\$2.02	\$2.06	\$2.12
2"	\$2.95	\$3.24	\$3.30	\$3.39
4"	\$9.20	\$10.10	\$10.30	\$10.58
6"	\$18.42	\$20.23	\$20.63	\$21.18
8"	\$29.46	\$32.36	\$33.00	\$33.87

WASTEWATER SERVICE

<u>Residential Service Monthly</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base-Facility Charge – All meter sizes	\$12.37	\$13.71	\$16.30	\$13.70
Residential Consumption charge – per 1,000 gallons (10,000 gallon cap)	\$1.63	\$1.80	\$2.14	\$1.81
Flat Rate Service – Residential Bulk Service (per unit)	\$26.17	\$29.01	\$34.50	\$28.98
<u>General Service and Multi-Family Residential Service</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge				
<u>By Meter Size:</u>				
5/8" x 3/4"	\$12.37	\$13.71	\$16.30	\$13.70
1"	\$30.92	\$34.28	\$40.75	\$34.24
1 1/2"	\$61.81	\$68.55	\$81.50	\$68.44

<u>General Service and Multi-Family Residential Service</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Base Facility Charge				
<u>By Meter Size:</u>				
2"	\$98.89	\$109.68	\$130.40	\$109.50
3"	\$197.77	\$205.65	\$244.50	\$218.99
4"	\$309.01	\$342.75	\$407.50	\$342.17
6"	\$618.08	\$685.50	\$815.00	\$684.38
8"	\$988.90	\$1,096.80	\$1,304.00	\$1,094.99
General Service and Multi-Family Service – Gallonage Charge (per 1,000 gallons)	\$1.98	\$2.19	\$2.61	\$2.20
<u>General Service and Multi-Family Residential Service</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Flat Rate Service – General and Multi-Family Bulk Service (per unit)	\$26.17	\$29.01	\$34.50	\$28.98
<u>Reuse Service</u>	<u>Present Rates</u>	<u>Utility's Requested Interim Rates</u>	<u>Utility's Requested Final Rates</u>	<u>Commission Approved Interim Rates</u>
Residential Base Facility Charge	\$3.81	\$4.22	\$5.02	\$4.20
Reuse Service Consumption Charge - (per 1,000 gallons)	\$0.41	\$0.45	\$0.54	\$0.45

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.

COMMENTS

Written comments regarding the Utility's service or the requested final rate increases may be sent to the Commission at the following address:

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

All comments should refer to Docket No. 110257-WS, which is the docket number that has been assigned to this case. Complaints regarding service may be made to the Commission's Division of Regulatory Compliance and Consumer Assistance at the following toll-free number: 1-800-342-3552.

If you have any questions, please call the Utility's office at (800) 272- 1919.

Sanlando Utilities Corporation