

VOTE SHEET

May 8, 2012

Docket No. 100330-WS – Application for increase in water/wastewater rates in Alachua, Brevard, DeSoto, Hardee, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc.

Issue 1: Should the Commission grant Aqua Utilities Florida, Inc.'s (AUF's) Motion for Reconsideration of Order No. PSC-12-0102-FOF-WS (Final Order)?

Recommendation: The Motion should be granted in its entirety as set forth in the body of this recommendation. Further, on its own motion, the Commission should correct the additional noted scrivener's errors and approve the recalculation of the four-year rate reduction for amortization of rate case expense as indicated in the analysis portion of staff's memorandum dated April 26, 2012. Except for the additional correction of an allocation error recommended by staff in Issue 2, all other aspects of the Final Order should be reaffirmed.

APPROVED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER DATE
 02929 MAY-8 2012
 FPSC-COMMISSION CLERK

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Issue 2: In calculating the appropriate wastewater rates, was there an error made in allocating the revenue requirement, and, if so, should the Commission on its own motion reconsider the appropriate wastewater rates and correct the allocation error?

Recommendation: Yes, an arithmetic allocation error was made in calculating the appropriate rates for the customers in Wastewater Rate Band 2. Therefore, the Commission on its own motion should reconsider the appropriate wastewater rates for Wastewater Rate Band 2 and correct the allocation error.

Correction of this error in the Final Order causes the annual revenue requirement for all but two of the residential unmetered wastewater-only (flat-rate) customers in Wastewater Rate Band 2 to be reduced by \$38,533, with this amount being recovered from all remaining residential customers in that band. Correcting this error results in the following changes to the residential rates in Wastewater Rate Band 2: a) a reduced flat rate for all but two residential flat-rate customers, b) increased rates for all remaining residential customers, and c) a resulting increase in the rate cap threshold for residential customers. The results of staff's recommended changes to the residential rates in Wastewater Rate Band 2, as well as the recommended change in the rate cap threshold for that band, are shown below:

Summary of Recommended Changes to Monthly Rates: Residential Wastewater Rate Band 2			
	Per Final Order	Staff Recommended	Increase (Decrease)
Flat Rates:			
Sunny Hills	\$60.01	\$61.84	\$1.83
Zephyr Shores	\$50.00	\$61.84	\$11.84
Jungle Den	\$86.07	\$61.84	(\$24.23)
Lake Gibson Estates	\$180.52	\$61.84	(\$118.68)
Base Facility Charge (5/8" x 3/4")	\$34.38	\$34.66	\$0.28
RS Kgal Charge	\$8.86	\$8.93	\$0.07
Rate Cap Threshold (@ 6 Kgal)	\$87.53	\$88.24	\$0.71

Because the rates set in the Final Order for Wastewater Rate Band 2 were in error, all unmetered flat-rate customers, except for the one flat-rate customer in Sunny Hills and the one flat-rate customer in Zephyr Shores, should be refunded the difference between the erroneous rates and the appropriate rates as set forth in the table above. For all other wastewater customers in Wastewater Rate Band 2, AUF should be allowed to charge a surcharge to collect the difference between the erroneous rates and the appropriate rates as set forth in the table above.

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Issue 3: Should this docket be closed?

Recommendation: If the Commission's Final Order as modified by the resulting Order on Reconsideration is not appealed, this docket should be closed upon staff's approval of the tariffs, verification of the required refunds, and the expiration of the time for filing an appeal.

APPROVED
