

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in
water/wastewater rates in Polk County by Cypress
Lakes Utilities, Inc.

Docket No. 130212-WS

Filed: *July 31, 2014*

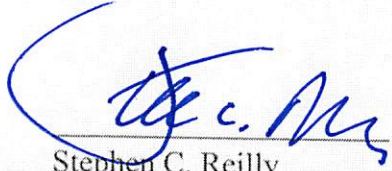
**JOINT MOTION REQUESTING COMMISSION APPROVAL OF
SETTLEMENT AGREEMENT**

CYPRESS LAKES UTILITIES, INC. ("Utility" or "Company") and the OFFICE OF PUBLIC COUNSEL ("OPC") file this Joint Motion requesting the Florida Public Service Commission ("Commission") to approve the attached Settlement Agreement. In support of this Joint Motion, the Utility and OPC state:

1. The Utility and OPC have entered into a Settlement Agreement to resolve the Utility's Petition Protesting PAA Order No. PSC-14-0283-PAA-WS, in accordance with the terms of the Settlement Agreement. A copy of the Settlement Agreement is attached hereto as Exhibit "A".
2. The Utility and OPC have entered into the Settlement Agreement to avoid the time, expense and uncertainty associated with adversarial litigation, in keeping with the Commission's long-standing policy and practice of encouraging parties in protested proceedings to settle issues whenever possible. For these reasons, the Utility and OPC request the Commission to expeditiously issue a Final Order approving the Settlement Agreement without modification and close Docket No. 130212-WS.
3. Pending Commission consideration of the Settlement Agreement, the Utility and OPC request the Commission to suspend discovery and all events currently scheduled in the CASR for this Docket until such time as the Commission acts on this Motion.

WHEREFORE, the Utility and OPC respectfully request the Commission to approve without modification the attached Settlement Agreement and to suspend discovery and other events scheduled in this proceeding until a Final Order is issued closing this docket.

Respectfully submitted this 31st day of July, 2014.



Stephen C. Reilly
Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, FL 32399-1400

Attorney for Customers of
Cypress Lakes Utilities, Inc.



Martin S. Friedman
Friedman, Friedman & Long, P.A.
766 N. Sun Drive, Suite 4030
Lake Mary, Florida, 32746

Attorney for Cypress Lakes Utilities, Inc.

CERTIFICATE OF SERVICE
DOCKET NO. 130212-WS

I HEREBY CERTIFY that a true and correct copy of the foregoing Joint Motion Requesting Commission Approval of Settlement Agreement has been furnished by electronic mail to the following party on this 31st day of July, 2014.

Keino Young, Esquire
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Exhibit "A" to Joint Motion

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in
water/wastewater rates in Polk County by
Cypress Lakes Utilities, Inc.

Docket No. 130212-WS

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT is made and entered into this 31st day of July 2014,
by and between Cypress Lakes Utilities, Inc. ("Utility" or "Company") and the Office of Public
Counsel ("OPC"), on behalf of the customers of the Utility.

WITNESSETH

WHEREAS, the Florida Public Service Commission ("Commission") issued Proposed
Agency Action Order No. PSC-14-0283-PAA-WS in this docket on May 30, 2014 ("PAA Order");
and

WHEREAS, on June 17, 2014, the Utility filed a timely protest of the PAA Order; and

WHEREAS, on June 25, 2014, OPC filed its Notice of Intervention; and

WHEREAS, in order to avoid the time, expense and uncertainty associated with adversarial
litigation, and in keeping with the Commission's long-standing policy and practice of encouraging
parties in protested proceedings to settle issues whenever possible, the Utility and OPC hereby
enter into this Agreement to settle this case in accordance with the terms and conditions herein.

NOW, THEREFORE, for and in consideration of the mutual covenants set forth below, the Utility and OPC agree as follows:

1. The second to last paragraph of the discussion of rate case expense in the PAA Order is deleted and replaced with the following paragraph:

Although the Utility believes that all of the rate case expense was prudent, in order to settle this disputed issue, the Utility accepts and OPC agrees to a further reduction to rate case expense of \$29,607, resulting in a total approved rate case expense of \$88,821. This acceptance shall not be construed as an agreement by the Utility of a methodology of reducing rate case expense based upon a percentage reduction.

2. The submission of this Settlement Agreement by the Parties is in the nature of an offer to settle. Consequently, if the Settlement Agreement is not accepted and approved without modification by Commission Order, then this Settlement is rejected and shall be considered null and void and neither Party may use the attempted agreement in this or any other proceeding.

3. The Utility and OPC expressly agree that all activity relating to this docket should be suspended until the Commission disposes of the Joint Motion Requesting Commission Approval of this Settlement Agreement.

4. This Settlement Agreement will become effective on the date the Commission enters a final order approving the Agreement in total. Upon the Commission issuing a final

order approving this Settlement Agreement, the Utility's Petition protesting the PAA Order shall be deemed resolved, in accordance with the terms of this Settlement Agreement.

5. The Parties have evidenced their acceptance and agreement with the provisions of this Settlement Agreement by their signatures, and personally represent that they have authority to execute this Settlement Agreement on behalf of their respective parties.

OFFICE OF PUBLIC COUNSEL

By:


Stephen C. Reilly

Associate Public Counsel

On behalf of the Customers of
Cypress Lakes Utilities, Inc.

CYPRESS LAKES UTILITIES, INC.

By:


Martin S. Friedman

Attorney for Cypress Lakes Utilities, Inc.