

State of Florida



FILED 11/30/2017
DOCUMENT NO. 10198-2017
FPSC - COMMISSION CLERK

RECEIVED-FPSC

2017 NOV 30 AM 9:49

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850
CLERK

-M-E-M-O-R-A-N-D-U-M-

DATE: November 30, 2017

TO: Office of Commission Clerk (Stauffer)

FROM: Division of Economics (Bruce) *AB P.D. SHOS WT*
Office of the General Counsel (Trierweiler) *JSC*

RE: Docket No. 20170223-SU – Application for establishment of wastewater allowance for funds prudently invested (AFPI) charges in Highlands, Lake, Marion, Pasco and Pinellas Counties, by Utilities, Inc. of Florida.

AGENDA: 12/12/17 – Regular Agenda – Tariff Filing – Participation is at the Discretion of the Commission

COMMISSIONERS ASSIGNED: All Commissioners *(in)*

PREHEARING OFFICER: Administrative

CRITICAL DATES: 12/15/17 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

Utilities, Inc. of Florida (UIF or Utility) is a Class A utility providing water and wastewater services to 27 systems in the following counties: Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole. The utility reported in its 2015 annual report, water operating revenues in the amount of \$2,350,825 and \$1,396,201 for wastewater.

On October 16, 2017, the utility filed an application to establish allowance for funds prudently invested (AFPI) wastewater charges for LUSI, Labrador, Lake Placid, Mid County, and UIF-Marion systems, including tariff sheets reflecting the requested charges. UIF is requesting the wastewater AFPI charges as a result of the Commission finding in Order No. PSC-2017-0361-FOF-WS that the previously mentioned wastewater systems were less than 100 percent used and useful.

Docket No. 20170223-SU

Date: November 30, 2017

Section 367.081 (6), Florida Statutes (F.S.), provides that the Commission may, for good cause, withhold consent of implementation of the requested rates within 60 days after the date the rate request is filed. This recommendation addresses the suspension of UIF's proposed tariff sheets. The Commission has jurisdiction pursuant to Section 367.091(6), F.S.

Discussion of Issues

Issue 1: Should the Commission suspend UIF's proposed tariff to establish AFPI charges for LUSI, Labrador, Lake Placid, Mid County, and UIF-Marion wastewater systems?

Recommendation: Yes. UIF's proposed tariff to establish AFPI charges for LUSI, Labrador, Lake Placid, Mid County, and UIF-Marion wastewater systems should be suspended. (Bruce)

Staff Analysis: Pursuant to Section 367.091(6), F.S., the Commission may withhold consent to operation of any or all portions of new rate schedules by a vote to that effect within 60 days, giving a reason or statement of good cause for withholding its consent. Staff is recommending that the tariff be suspended to allow staff sufficient time to review the application and gather all pertinent information to present the Commission an informed recommendation on the proposed tariffs. Staff believes that this reason is a good cause consistent with the requirement of Section 367.091(6) F.S. Based on the above, UIF's proposed tariff to establish AFPI charges for LUSI, Labrador, Lake Placid, Mid County, and UIF-Marion wastewater systems should be suspended.

Docket No. 20170223-SU
Date: November 30, 2017

Issue 2

Issue 2: Should this docket be closed?

Recommendation: No. The docket should remain open pending the Commission's final action on the UIF's requested approval to establish AFPI wastewater charges. (Trierweiler)

Staff Analysis: No. The docket should remain open pending the Commission's final action on the UIF's requested approval to establish AFPI wastewater charges.