

LAKE IDLEWILD UTILITY COMPANY

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FPSC - COMMISSION CLERK

November 19, 2018

Office of Commission Clerk
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Re: Petition of Lake Idlewild Utility Company for Limited Alternative Rate Increase pursuant to Rule No. 25-30.457, Florida Administrative Code

Dear Commission Clerk,

Lake Idlewild Utility Company's (Lake Idlewild or Utility) hereby submits its application for a Limited Alternative Rate Increase pursuant to Rule No. 25-30.457, Florida Administrative Code (F.A.C.) in Lake County.

In support of its petition thereof, Lake Idlewild states the following:

Pursuant to Rule 25-30.457, F.A.C., as an alternative to a rate case, a Class C utility may petition the Commission for a limited alternative rate increase of up to 20 percent of service revenues. This rule was designed to streamline the rate increase process for qualifying small water or wastewater companies, by establishing an abbreviated procedure for a limited rate increase that is less time consuming and thus less costly for the utilities, customers, and Commission staff. This rule is similar to the rules governing price index and pass-through increases, in that an engineering or financial audit of the utility's books and records is not required.

COM _____
AFD _____
APA _____
ECO _____
ENG 2 _____
GCL _____
IDM _____
CLK _____

The rule was adopted by the Commission on March 15, 2005. The Commission has previously approved such petitions twice in the following Orders:

<u>Order No.</u>	<u>Issued</u>	<u>Utility</u>
PSC-06-0822-PAA-WU	October 6, 2006	Pinecrest Ranches, Inc.
PSC-06-0444-PAA-WU	May 22, 2006	Brendenwood Water System, Inc.

Rule 25-30.457, F.A.C.

Lake Idlewild provides the following criteria for consideration:

- 1) Utility is eligible for staff assistance,
- 2) Utility's books and records are organized consistent with Rule 25-30.110, F.A. C.,
- 3) Utility has on file with the Commission its Annual Reports,
- 4) Utility has paid all applicable regulatory assessment fees,

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- 5) Utility has at least one year of experience in operations. The utility was purchased on August 29, 2014.
- 6) Utility has provided additional relevant information contained below within the body of its petition.
- 7) Utility's last rate case was approved in Order No. PSC-16-0305-PAA-WU, issued July 28, 2016 (SARC Order),
- 8) Said SARC Order established the Utility's rate base, capital structure, annual operating expenses and revenues and was issued with the 7-year period prior to petition.

General Utility Information

- A) The Utility's name as it appears on its certificates and its mailing address are:

Lake Idlewild Utility Company
4939 Cross Bayou Blvd.
New Port Richey, Florida 34652
(727) 848-8292 (Telephone)
(727) 848-7701 (Facsimile)

- B) The names and addresses of the Utility's authorized representatives are:

Troy Rendell
Vice President
Investor Owned Utilities
U.S. Water Services Corporation
4939 Cross Bayou Blvd.
New Port Richey, Florida 34652
(727) 848-8292 (Telephone)
(727) 848-7701 (Facsimile)
trendell@uswatercorp.net

- C) Lake Idlewild Utility Company is a Florida corporation authorized to do business in Florida as of July 17, 2014. The names and addresses of the persons who own 5 percent or more of the Utility's stock are:

Gary A. Deremer
President and CEO
5320 Captains Court
New Port Richey, FL 34652

Lake Idlewild Utility Company
Limited Alternative Rate Increase
November 19, 2018

Cecil Delcher
Vice President
11702 Forest Hills Dr.
Tampa, FL 33612

Victoria Penick
6043 Fall River Dr
New Port Richey, FL 34655

Petitioner's Schedules

Attached hereto are the following required schedules:

- (a) Annualized revenues by customer class and meter size for the most recent 12-month period using the rates in effect at the time the utility files its petition. The most recent 12-month period used is October 2017 through September 2018.
- (b) Current and proposed rates for all classes of customers utilizing 20 percent of the annualized water service revenue.
- (c) Additional informational schedule showing most recent 12-month Operating Expenses.

Petitioner's Statements

Lake Idlewild through the undersigned representative hereby states that the figures and calculations upon which the change in rates is based are accurate.

Lake Idlewild further states that the change in rates will not cause the Utility to exceed its last authorized rate of return on equity of 8.74 percent, with a range of 7.74 percent to 9.74 percent as established by Order No. PSC-16-0305-PAA-WU, issued July 28, 2016.

Filing Fee

The total filing fee in the amount of \$200 is also attached to this LARI petition pursuant to Rule 25-30.30.020(2)(f), Florida Administrative Code.

WHEREFORE, the Utility respectfully requests that the Commission:

- A. Accept jurisdiction of this Petition and utilize the procedure set forth in Rule 25-30.457, F.A.C;
- B. Evaluate the petition and determine the petitioner's eligibility for a limited alternative rate increase within 30 days of receipt of said petition.

Lake Idlewild Utility Company
Limited Alternative Rate Increase
November 19, 2018

- C. Notify the petitioner in writing as to whether the petition is accepted or denied.
- D. Approve final rates as requested herein within 90 days from the official filing date as established by Rule 25-30.457(4), F.A.C.;

Respectfully Submitted,



Troy Rendell
Vice President
Investor Owned Utilities
// for Lake Idlewild Utility Company

Lake Idlewild Utility Company

Water Service:

Residential	<u>Bills</u>	<u>Current Rates</u>	<u>Annualized Revenue</u>
5/8" x 3/4" Meters	847	\$ 16.09	\$ 13,628.23
3/4" Meters		\$ 24.14	
1" Meters		\$ 40.23	
1 1/2" Meters		\$ 80.45	
2" Meters		\$ 128.72	
3" Meters		\$ 257.44	
4" Meters		\$ 402.25	
6" Meters		\$ 804.50	

Gallage Charge	<u>Gallons</u>		
0 - 3,000 Gal	2629	\$ 2.11	\$ 5,547.19
Over 3,000 Gal	8570	\$ 2.47	\$ 21,167.90

Annualized Revenue \$ 40,343.32

Lake Idlewild Utility Company
 CURRENT AND PROPOSED - WATER

Lake Idlewild Utility Company			
Line No.		CURRENT RATES	PROPOSED RATES
			20.00%
1	% Increase		
2	RESIDENTIAL SERVICE & GENERAL SERVICE		
3	Sheet #	3rd Revised	12.0 & 13.0
4	BFC:		
5	5/8" x 3/4" Meters	\$16.09	\$19.31
6	3/4" Meters	\$24.14	\$28.97
7	1" Meters	\$40.23	\$48.28
8	1 1/2" Meters	\$80.45	\$96.54
9	2" Meters	\$128.72	\$154.46
10	3" Meters	\$257.44	\$308.93
11	4" Meters	\$402.25	\$482.70
12	6" Meters	\$804.50	\$965.40
13			
14	Residential Gallonage Charge		
15	0 - 3,000 Gal	\$2.11	\$2.53
16	Over 3,000 Gal	\$2.47	\$2.96
17			
18	General Service Gallonage Charge	\$2.41	\$2.89
19			
20	PRIVATE FIRE PROTECTION SERVICE		
21	Sheet #	2nd Revised	13.1
22	BFC:		
23	2" Meters	\$10.73	\$12.88
24	3" Meters	\$21.45	\$25.74
25	4" Meters	\$33.52	\$40.22
26	6" Meters	\$67.04	\$80.45
27	8" Meters	\$107.27	\$128.72
28	10" Meters	\$154.20	\$185.04

Lake Idlewild Utility Company
Profit & Loss
October 2017 through September 2018

	<u>TOTAL</u>
	<u>Oct 17 - Sep 18</u>
Ordinary Income/Expense	
Income	
400 · Utility Revenue	
400.1 · WATER SYSTEM	
461 · Metered Water Revenue	
461.1 · Water - Residential Customers	36,547.55
Total 461 · Metered Water Revenue	<u>36,547.55</u>
471 · Water - Misc Service Revenues	
471.1 · Initial Connect Fees	90.00
471.2 · Reconnect Fees	45.00
471.4 · Late Fees	310.00
471.6 · CC Fees	0.00
Total 471 · Water - Misc Service Revenues	<u>445.00</u>
Total 400.1 · WATER SYSTEM	<u>36,992.55</u>
Total 400 · Utility Revenue	<u>36,992.55</u>
Total Income	<u>36,992.55</u>
Expense	
401 · Operating Expense	
401.1 · WATER SYSTEM O&M	
603 · Salaries - Officers, Directors	4,200.00
615 · Purchased Power	2,663.70
618 · Chemicals	752.70
630 · Professional Fees	
632 · Accounting Fees	375.00
633 · Legal Fees	565.50
Total 630 · Professional Fees	<u>940.50</u>
636 · Contractual Services	
636.1 · Operating & Billing Services	28,440.24
Total 636 · Contractual Services	<u>28,440.24</u>
667 · Insurance - Gen Liability	1,326.00
666 · Regulatory Commission Fees	50.04
670 · Bad Debt Expense	130.42
675 · Miscellaneous Expense	
675.4 · Water Treatment Expenses-Maint	39.80
675 · Miscellaneous Expense - Other	500.00
Total 675 · Miscellaneous Expense	<u>539.80</u>
Total 401.1 · WATER SYSTEM O&M	<u>39,043.40</u>
403 · Depreciation	
403.1 · Water System Deprec.	6,676.46
Total 403 · Depreciation	<u>6,676.46</u>
407 · Amortization Expense Plant/Othr	
407.1 · Water System	-3,150.20
Total 407 · Amortization Expense Plant/Othr	<u>-3,150.20</u>
408 · Taxes Other than Income	
408.1 · Property Tax - Water	210.93
408.10 · Regulatory Assessment Fees	
408.11 · RAF - Water	1,754.66
Total 408.10 · Regulatory Assessment Fees	<u>1,754.66</u>
408.3 · Tangible Tax - Water	701.41
Total 408 · Taxes Other than Income	<u>2,667.00</u>
427 · Interest Expense	
427.4 · Interest on Customer Deposits	4.04
Total 427 · Interest Expense	<u>4.04</u>
Total 401 · Operating Expense	<u>45,240.70</u>
Total Expense	<u>45,240.70</u>
Net Ordinary Income	<u>-8,248.15</u>
Net Income	<u><u>-8,248.15</u></u>