

State of Florida



Public Service Commission

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

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

DATE: July 26, 2019

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: Suzanne S. Brownless, Special Counsel, Office of the General Counsel *SSB*

RE: Docket No. 20170086-SU - Investigation into the billing practices of K W Resort Utilities Corp. in Monroe County

The Staff Recommendation filed earlier today for the August 6 Agenda Conference contained a factual error on page 5 which mistated the Office of Public Counsel's position on the penalty imposed on K W Resort Utilities Corporation (KWRU). The sentence is corrected as follows: "OPC also agrees to withdraw its protest of the PAA Order and take no position regarding further refunds to Safe Harbor or Sunset ~~and to take no position on the imposition of a penalty.~~"

APPROVED: _____

[Handwritten Signature]

DATE: _____

7/26/19

REVISED
07/26/19

State of Florida



Public Service Commission

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

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

DATE: July 26, 2019

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Ramos, Hudson) *MR SH HUDSON*
Division of Accounting and Finance (Fletcher, Norris, Sowards) *AM*
Office of Auditing and Performance Analysis (Deamer)
Office of the General Counsel (Brownless, Schrader) *AM*

RE: Docket No. 20170086-SU – Investigation into the billing practices of K W Resort Utilities Corp. in Monroe County.

AGENDA: 08/06/19 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: Brown, Polmann, Fay

PREHEARING OFFICER: Brown

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

This docket was opened to investigate the billing practices of K W Resort Utilities Corporation (KWRU) to determine if KWRU had violated any Commission order, rule or statute.¹ An audit was conducted by Commission staff for the period of April 2013 through March 2017, in which

¹ Order No. PSC-16-0123-PAA-SU, issued March 23, 2016, in Docket No. 150071-SU, In re: Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corporation.

KWRU was found to have charged rates inconsistent with its tariffs. Based on this audit, Order No. PSC-2018-0444-PAA-SU (Order No. PSC-2018-0444) was issued on August 31, 2018.² The proposed agency action portion of Order No. PSC-2018-0444 found that:

- The April 2013 through March 2017 audit period utilized by Commission staff was reasonable.
- The appropriate time period for the refunds was April 2013 through March 2016.
- KWRU was required to refund Safe Harbor (Safe Harbor) \$26,408 with interest in accordance with Rule 25-30.360, Florida Administrative Code (F.A.C.).
- KWRU was required to refund Sunset (Sunset) \$41,034 with interest in accordance with Rule 25-30.360, F.A.C.
- KWRU was not required to refund rates charged for pools due to KWRU's reasonable belief that the approved tariff for pools it had for Key West Golf Club-HOA "was applicable to any additional customers with pools."
- KWRU did not have to refund general service customers that were billed base facility charges (BFC) based on units instead of Florida Keys Aqueduct Authority (FKAA) metered rates for several reasons: 1) the error occurred during the transition from flat to volumetric for residential customers in which a billing software error incorrectly identified these customers as residential units; 2) the billing determinants in KWRU's 2009 rate case may have been based on units rather than meter sizes; and 3) KWRU corrected its billing practices following the implementation of Order No. PSC-16-0123-PAA-SU.³
- KWRU's settlement with Roy's Trailer Park was a reasonable solution to address that customer's corrected outstanding balance from being billed by KWRU based on units instead of FKAA meters.

The show cause portion of Order No. PSC-2018-0444 directed KWRU to show cause why it should not be fined a \$10,000 penalty for violations of Sections 367.081(1) and 367.091(3), Florida Statutes (F.S.).

The Office of Public Counsel (OPC) filed a protest of the PAA Order on September 21, 2018. In its protest, OPC raised the issues of whether Rule 25-30.350, F.A.C., requires that refunds be granted for the entire period that overbilling took place, 2009 through April 2016, and the calculation of customer refunds. KWRU filed a Cross Petition for Formal Evidentiary Hearing

² Order No. PSC-2018-0444 has two parts. The first part is proposed agency action (PAA) regarding the calculation of refunds for KWRU customers, which will be referenced herein as the PAA Order. The second part is a show cause order as to why KWRU should not be penalized \$10,000 which shall be referenced herein as the Show Cause Order.

³ Order No. PSC-16-0123-PAA-SU, issued March 23, 2016, in Docket No. 150071-SU, In re: Application for increase in wastewater rates in Monroe County by K W Resort Utilities, Corp.

(Cross Petition) on October 1, 2018. In its Cross Petition, KWRU protested the \$10,000 penalty (Show Cause Order) and the refunds ordered for Safe Harbor and other customers. On March 14, 2019, Order No. PSC-2019-0101-PCO-SU (OEP) was issued setting a final hearing on the PAA order issues raised by OPC and KWRU for September 17-18, 2019.

On May 17, 2019, KWRU and OPC filed a Joint Motion for Approval of Stipulation and Settlement (Stipulation and Settlement). The Stipulation and Settlement is contained in Attachment A. The Stipulation and Settlement has the following provisions:

- Fourth Avenue, LLC shall be refunded \$1,004.34 and ITNOR Waters Edge shall be refunded \$1,025.49 within 30 days of Commission approval of the Stipulation and Settlement.
- OPC will withdraw its protest of the PAA Order filed on September 21, 2019.
- OPC takes no position on refunds to Safe Harbor or Sunset.
- The Stipulation and Settlement does not address the Show Cause portion of Order No. PSC-2018-0444.
- KWRU will limit its contested issues to refunds to Safe Harbor and Sunset (PAA Order) and the penalty (Show Cause Order).
- The Stipulation and Settlement must be approved by the Commission without modification.

On May 28, 2019, KWRU filed a Motion to Abate Proceedings. In its Motion to Abate, KWRU argued that the Stipulation and Settlement allowed both the PAA and Show Cause portions of Order No. PSC-2018-0444 to be resolved at an Agenda Conference, thereby negating the necessity for a formal evidentiary hearing. On June 4, 2019, KWRU filed the direct testimony of Christopher A. Johnson. The Motion to Abate was granted on June 14, 2019, by Order No. PSC-2019-0235-PCO-SU, suspending the hearing schedule in this docket until further notice.

On June 14, 2019, KWRU also filed an Offer of Settlement (KWRU Offer) to resolve the remaining issues in this docket not addressed in the Stipulation and Settlement. The KWRU Offer is contained in Attachment B. The KWRU Offer contains the following provisions:

- The Settlement Agreement and Release between Safe Harbor and KWRU dated May 12, 2016, Exhibit CAJ-9 to witness Johnson's direct testimony, releases KWRU from any refund which may be due to Safe Harbor in this docket for overbilling and no additional refunds are necessary.
- The Settlement Agreement and Release between Sunset and KWRU dated October 23, 2019, Exhibit CAJ-8 to witness Johnson's direct testimony, states that the payment of \$41,034.00 by KWRU to Sunset is a complete satisfaction of any claim that Sunset is owed any additional refunds for overbilling by KWRU and no additional refunds are necessary.

- KWRU is willing to pay a penalty of \$2,500.00 for improper billing.

Unlike most cases when a settlement is reached by the parties where an evidentiary hearing is scheduled, staff is making a substantive recommendation to the Commission on Issues 1 and 2, the Stipulation and Settlement and KWRU's Offer, both of which were filed to resolve the unique facts and posture of this case. The order protested here involved refunds to customers for which staff is not a party, and a fine for which staff is a party and acts in a prosecutorial role. Because all issues have become so intertwined, staff believes the most expedient process is to make substantive recommendations on all settlement and stipulation issues before the Commission.

This recommendation addresses both the Stipulation and Settlement and KWRU Offer. A complete resolution of both the PAA Order issues and Show Cause issue can only be achieved if both the Settlement and Stipulation addressed in Issue 1 and Settlement Offer addressed in Issue 2 are approved. The Commission has jurisdiction pursuant to Section 367.081, F.S.

Discussion of Issues

Issue 1: Should the Commission approve the Stipulation and Settlement jointly filed by KW Resort Utilities Corporation and the Office of Public Counsel?

Recommendation: Yes. (Brownless, Schrader)

Staff Analysis: The Stipulation and Settlement filed by the parties on May 17, 2019, proposes to settle several legal and billing issues addressed in Order No. PSC-2018-0444 that were protested by OPC and cross-protested by KWRU. Specifically, the Stipulation and Settlement requires KWRU to issue refunds to two additional KWRU customers: \$1,004.34 to Fourth Ave., LLC, and \$1,025.49 to ITNOR Waters Edge, within 30 days of the Commission's approval of the Stipulation and Settlement. These refunds would be paid in addition to any refunds issued up until the time of the filing of the Stipulation and Settlement,

OPC also agrees to withdraw its protest of the PAA Order and take no position regarding further refunds to Safe Harbor or Sunset ~~and to take no position on the imposition of a penalty~~. The parties also state that the Stipulation and Settlement "is in the best interests of both the Utility and its customers." In sum, OPC has agreed to waive its right to a hearing on the factual and legal PAA Order issues it protested in exchange for the payment of refunds to two additional customers incorrectly billed by the use of BFCs based on the number of units or individual dwellings present behind a master meter, rather than based on the customer's meter size.

Under the terms of the Stipulation and Settlement, KWRU is able to contest the refunds for Safe Harbor and Sunset (PAA Order issues) and the penalty issue (Show Cause Order issue). In its Motion to Abate, KWRU made the representation that approval of the Stipulation and Settlement would enable KWRU to resolve both the PAA and Show Cause Order issues "at the Commission Conference, negating the necessity for a formal administrative hearing." From this statement, Commission staff concludes that if given an opportunity to present oral argument on the PAA and Show Cause Order issues at an Agenda Conference, KWRU envisions waiving its right to an evidentiary hearing on these issues.

Both OPC and KWRU have entered into the Stipulation and Settlement in good faith and represent that it is in the public interest. The Stipulation and Settlement resolves some protested billing issues and provides an administratively efficient means of resolving the issues that remain: Safe Harbor and Sunset refunds and the \$10,000 penalty. Given these unique facts, the Stipulation and Settlement appears to be in the public interest and to fairly and reasonably settle the issues between KWRU and OPC in this docket.

Issue 2: Should KWRU's Offer of Settlement be approved?

Recommendation: Yes, if the Commission votes to approve Issue 1. If the Commission does not vote to approve Issue 1, this case should be set for hearing with appropriate modifications to the filing dates made in Order No. PSC-2019-0101-PCO-SU, Order Establishing Procedure. (Brownless, Schrader)

Staff Analysis: The KWRU Offer of Settlement (KWRU Offer) proposes to settle the remaining issues in this docket that were not addressed by the Stipulation and Settlement. The KWRU Offer asks that the Commission approve resolutions to the refund amounts due to Safe Harbor and Sunset and approve a lower amount for the Show Cause penalty.

Regarding the remaining refunds due to Safe Harbor and Sunset, KWRU filed the Settlement Agreement and Release it has reached with each party as Exhibits to witness Christopher Johnson's Prefiled Direct Testimony filed on June 4, 2019. The KWRU Offer asserts that the Settlement Agreement and Release reached with Safe Harbor on May 12, 2016, resolved a number of issues between KWRU and Safe Harbor "including, but not limited to, mutual obligations for refunds between the parties." Further, the KWRU Offer states that, pursuant to this agreement and release, "any refund which may be due to Safe Harbor in this docket is deemed satisfied and no additional refunds are necessary." For Sunset, the KWRU Offer states that the Settlement Agreement and Release, dated October 23, 2018, reached between KWRU and Sunset, provides that in consideration of a payment made by KWRU to Sunset of \$41,034.00, Sunset released KWRU from all claims related to any further refunds due that are addressed in Order No. PSC-2018-0444.

Regarding the Show Cause penalty, KWRU states that Commission staff, during the August 6, 2018 Agenda Conference recommended a penalty of \$1,000; however the Commission increased this penalty to \$10,000. KWRU argues that this penalty "greatly exceeds a reasonable amount based upon the particular circumstances of the KWRU tariff at that time." In support of this argument, KWRU points to the arguments it previously made at the August 6, 2018 Agenda Conference, pointing in particular to the following discussion from the Conference:⁴

Ms. [Patti] Daniels: ...I do want to reiterate and emphasize to you is that Mr. Friedman is absolutely correct that the –the tariff lacked clarity for many, many years...

Commissioner Brown: Are you – Patti, are you saying, though, that staff had a role in some of the confusion that occurred?

Ms. Daniels: Absolutely Commissioner.

Commissioner Brown: Is that why staff is recommending a nominal fee of a thousand dollar fine?

Ms. Daniel: Absolutely.

⁴ Agenda Conference 25-26, Aug 6, 2018.

Date: July 26, 2019

In consideration of its arguments, KWRU's Settlement requests that the Commission approve a penalty of \$2,500 to resolve the Show Cause portion of Order No. PSC-2018-0444.

Regarding the refunds to Safe Harbor and Sunset, it appears that KWRU and those customers have reached a mutually agreeable resolution of the amounts due to those customers. Regarding the Show Cause penalty, it appears that while KWRU did violate its approved tariff, KWRU has reasonably shown that Commission staff had at least some role in the confusion that KWRU asserts it had regarding the interpretation and application of the tariff. Finally, KWRU has corrected its billing practices and is currently billing in accord with its tariff. Given these unique facts, acknowledging the agreements between KWRU and both Marinas and accepting a lower penalty of \$2,500 appears to be reasonable and in the public interest.

Due to the unique facts in this case, a complete resolution of both the PAA Order issues and Show Cause issue can only be achieved if both the Settlement and Stipulation addressed in Issue 1 and the Settlement Offer addressed in Issue 2 are approved. Therefore, if the Commission approves the Stipulation and Settlement in Issue 1, staff would also recommend approval of the KWRU Offer. If the Commission does not vote to approve the Stipulation and Settlement in Issue 1, then staff recommends that the KWRU Offer not be accepted and that this matter be set for hearing with appropriate modifications to the filing dates established in Order No. PSC-2019-0101-PCO-SU.

Issue 3: Should this docket be closed?

Recommendation: Staff recommends that if the Commission approves both the Stipulation and Settlement and the KWRU Offer, and if no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of issuance of the order, this docket should be administratively closed upon the issuance of a consummating order. If the Commission does not approve both the Stipulation and Settlement and the KWRU Offer, this docket should remain open pending resolution at hearing. (Brownless, Schrader)

Staff Analysis: Staff recommends that if the Commission approves both the Stipulation and Settlement and the KWRU Offer, and if no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of issuance of the order, this docket should be administratively closed upon the issuance of a consummating order. If the Commission does not approve both the Stipulation and Settlement and the KWRU Offer, this docket should remain open pending resolution at hearing.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into the billing practices of
K W Resort Utilities Corp. in Monroe County.

DOCKET NO. 20170086-SU

FILED: May 17, 2019

STIPULATION AND SETTLEMENT

WHEREAS, K W Resort Utilities Corp. (KWRU or Utility), and the Citizens of the State of Florida, through the Office of Public Counsel (“OPC”), have signed this Stipulation and Settlement (the “Agreement;” unless the context clearly requires otherwise, the term “Party” or “Parties” means a signatory to this Agreement); and

WHEREAS, on March 13, 2017, the Commission ordered its staff to open this docket, No. 20170086-SU, and ordered Commission staff to conduct a full audit of KWRU's billing practices to determine if KWRU had violated any of the Commission's orders, rules, or statutes. Order No. PSC-17-0091-FOF-SU, in Docket No. 150071-SU, *In re: Application for increase in wastewater rates in Monroe County by K W Resort Utilities, Corp.*; and

WHEREAS, on November 6, 2017, Commission Staff filed in this docket its Audit Report, titled, “K W Resort Utilities Corp. Specialized Billing Audit Forty-Eight Months Ending March 30, 2017;” and

WHEREAS, the Utility filed its response to the Commission Staff's Audit Report on or about January 31, 2018; and

WHEREAS, on May 17, 2018, the Commission Staff issued a Notice of Apparent Violation to the Utility; and

WHEREAS, on August 31, 2018 the Commission entered PAA Order No. PSC-2018-0444-PAA-SU (“PAA Order”) requiring KWRU to refund money to certain customers and to pay a penalty; and

WHEREAS, on September 21, 2018, OPC filed a Petition protesting portions of the PAA Order unrelated to the penalty, and on October 1, 2018, KWRU filed a Cross-Petition for a Formal Administrative Hearing; and

WHEREAS, on March 25, 2019, the Commission entered Order No. PSC-2019-0113-PCO-SU denying KWRU's motion to dismiss or strike; denying OPC's motion for partial summary final order and KWRU's motion for summary final order; and

WHEREAS, the Parties to this Agreement have undertaken to resolve the issues raised in this docket so as to achieve fairness to customers and the Utility and to ensure compliance with the applicable Florida Statutes and Florida Rules of Administrative Procedure; and

WHEREAS, the Parties have entered into this Agreement in compromise of positions taken in accord with their rights and interests under Chapters 350, 367 and 120, Florida Statutes, as applicable, and as a part of the negotiated exchange of consideration among the parties to this Agreement each has agreed to concessions to the others with the expectation that all provisions of the Agreement will be enforced by the Commission as to all matters addressed herein with respect to all Parties upon acceptance of the Agreement as provided herein and upon approval in the public interest;

NOW THEREFORE, in consideration of the foregoing and the covenants contained herein, the Parties hereby stipulate and agree:

1. This Agreement will become effective on the date it is signed by both Parties (the "Effective Date"). The Parties agree that, in addition to any refunds issued to date, KWRU shall issue refunds in the amount of \$1,004.34 to Fourth Ave., LLC, and \$1,025.49 to ITNOR Waters Edge, respectively, within 30 days of the approval of this Agreement in its entirety by the Commission without modification, via entry of a Commission Order. This


Agreement does not address Safe Harbor Marina or Sunset Marina. OPC will take no position as to whether these customers are entitled to any further refund.

2. OPC agrees to withdraw its Petition protesting the PAA Order.
3. KWRU agrees to withdraw its Cross-Petition and request for administrative hearing in this docket, except as it relates to Safe Harbor Marina and Sunset Marina.
4. This Agreement is silent on KWRU's right to advocate on matters in this docket related to the penalty outlined in the PAA Order.
5. No Party to this Agreement will request, support, or seek to impose a change in the application of any provision hereof.
6. The provisions of this Agreement are contingent on approval of this Agreement in its entirety by the Commission without modification. The Parties agree that approval of this Agreement is in the public interest. The Parties further agree that they will support this Agreement and will not request or support any order, relief, outcome, or result in conflict with the terms of this Agreement in any administrative or judicial proceeding relating to, reviewing, or challenging the establishment, approval, adoption, or implementation of this Agreement or the subject matter hereof. No party will assert in any proceeding before the Commission or any court that this Agreement or any of the terms in the Agreement shall have any precedential value, except to enforce the provisions of this Agreement. Approval of this Agreement in its entirety will resolve all matters and issues which are the subject matter of this Agreement in Docket No. 20170086-SU pursuant to, and in accordance with, Section 120.57(4), Florida Statutes. No Party shall seek appellate review of any order pertaining to this Agreement.

7. This Agreement is dated as of the date the last signature is affixed. It may be executed in counterpart originals, and a scanned .pdf copy of an original signature shall be deemed an original.

In Witness Whereof, the Parties evidence their acceptance and agreement with the provisions of this Agreement by their signature.

K W Resort Utilities Corp.
Mr. Christopher Johnson
C/O K.W. Resort Utility
6630 Front Street
Key West FL 33040-6050

By: 
Christopher Johnson
Title: President
Date: 05-17-2019

Office of the Public Counsel
J.R. Kelly, Esq.
The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400

By: 
J.R. Kelly
Public Counsel
Date: 05-17-2019

P

FILED 6/14/2019
DOCUMENT NO. 04901-2019
FPSC - COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into the billing practices of
K W Resort Utilities Corp. in Monroe County.

DOCKET NO. 20170086-SU

KW RESORT UTILITIES CORP.'S OFFER OF SETTLEMENT

K W Resort Utilities Corp. (KWRU or Utility), makes the following offer of Settlement to resolve the issues that were not addressed in the Stipulation and Settlement entered into between KWRU and Office of Public Counsel previously filed in this Docket.

RECITALS

WHEREAS, on March 13, 2017, the Commission ordered its staff to open this docket, No. 20170086-SU, and to conduct a full audit and investigation of KWRU's billing practices to determine if KWRU had violated any of the Commission's orders, rules, or statutes. Order No. PSC-17-0091-FOF-SU, in Docket No. 150071-SU, *In re: Application for increase in wastewater rates in Monroe County by K W Resort Utilities, Corp.*; and

WHEREAS, on November 6, 2017, Commission Staff filed in this docket its Audit Report, titled, "K W Resort Utilities Corp. Specialized Billing Audit Forty-Eight Months Ending March 30, 2017;" and

WHEREAS, the Utility filed its response to the Commission Staff's Audit Report on or about January 31, 2018; and

WHEREAS, on May 17, 2018, the Commission Staff issued a Notice of Apparent Violation to the Utility; and

WHEREAS, on August 31, 2018 the Commission entered PAA Order No. PSC-2018-0444-PAA-SU ("PAA Order") requiring KWRU to refund money to certain customers and to pay a penalty; and

WHEREAS, on September 21, 2018, OPC filed a Petition protesting portions of the PAA Order unrelated to the penalty, and on October 1, 2018, KWRU filed a Cross-Petition for a Formal Administrative Hearing; and

WHEREAS, on March 25, 2019, the Commission entered Order No. PSC-2019-0113-PCO-SU denying KWRU's motion to dismiss or strike; denying OPC's motion for partial summary final order and KWRU's motion for summary final order; and

WHEREAS, on May 17, 2019, KWRU and OPC entered into a Stipulation and Settlement which settled OPC's concerns, but provided that OPC "will take no position as to whether these customers [Safe Harbor Marina and Sunset Marina] are entitled to any further refunds", and was silent as to the penalty.

NOW THEREFORE, KWRU offers the following in settlement of the issues of further refunds to Safe Harbor Marina and Sunset Marina and the \$10,000 penalty:

1. Safe Harbor Marina. KWRU and Safe Harbor Marina entered into a Settlement Agreement and Release, dated May 12, 2016, which has been filed in this docket, and is Exhibit CAJ-9 to witness Christopher Johnson's Prefiled Direct Testimony filed on June 4, 2019. That Agreement resolved a number of issues between them including, but not limited to, mutual obligations for refunds between the parties. Thus, pursuant to that Agreement, any refund which may be due to Safe Harbor Marina in this docket is deemed satisfied and no additional refunds are necessary.

Sunset Marina. KWRU and Sunset Marina entered into a Settlement Agreement and Release, dated October 23, 2018, which has been filed in this docket, and is Exhibit CAJ-8 to witness Christopher Johnson's Prefiled Direct Testimony, filed on June 4, 2019. In consideration of payment by KWRU to Sunset Marina in the amount of \$41,034.00, Sunset Marina released KWRU from all claims related to any further refunds due that are

addressed in PAA Order [Order No. PSC-2018-0444-SU]. Thus, all refund issues with respect to Sunset Marina in this docket are resolved and no additional refunds are necessary.

Penalty. Although for the reasons discussed below, Commission staff recommended a penalty in the amount of \$1,000, the Commission increased that penalty to \$10,000 which greatly exceeds a reasonable amount based upon the particular circumstances of the KWRU tariff at that time. There was much discussion at the August 7, 2018, Agenda regarding the unique nature of the tariff rates for KWRU during the time in question¹ and there is no need to reiterate them at this time. The following from the transcript at the August 7, 2018, Agenda points out the reasonableness of KWRU's interpretation and application of its tariff:

Ms. Daniels:I do want to reiterate and emphasize to you is that Mr. Friedman is absolutely correct that the –the tariff lacked clarity for many, many years...(p. 25)

Commissioner Brown: Are you – Patti, are you saying, though, that staff had a role in some of the confusion that occurred?

Ms. Daniels: Absolutely Commissioner.

Commissioner Brown: Is that why staff is recommending a nominal fee of a thousand dollar fine?

Ms. Daniel: Absolutely (p.26)

Based upon foregoing, KWRU offers a penalty of \$2,500.

2. KWRU believes that approval of this Agreement is in the public interest.
3. The approval of this Offer, and the Stipulation and Settlement entered into between OPC and KWRU, will resolve all matters and issues raised in Docket No. 20170086-SU.

¹ KWRU's rates are now based on the traditional meter size and gallonage charges and are consistent with KWRU's current tariffs.

Respectfully submitted as of the 13th day of June, 2019, by:

Barton W. Smith
Smith Law Firm
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bart@smithhawks.com

/s/ Martin S. Friedman
Martin S. Friedman
Dean Mead
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on this 13th day of June 2019, to the following:

Stephanie Morse
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c/o The Florida Legislature
111 West Madison Street; Room 812
Tallahassee, FL 32399-1400
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/s/ Martin S. Friedman
Martin S. Friedman