

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for increase in water and
wastewater rates in Charlotte, Highlands,
Lake, Lee, Marion, Orange, Pasco, Pinellas,
Polk, and Seminole Counties by Utilities, Inc.
of Florida

DOCKET NO. 20200139-WS

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NOTICE OF FILING AFFIDAVIT OF MAILING

UTILITIES, INC. OF FLORIDA, by and through its undersigned attorneys, hereby gives notice of filing the Affidavit of Mailing of the Initial Customer Notice, attached thereto, to all customers of the Utility.

Respectfully submitted this 3rd day of
November, 2020, by:

Dean Mead
420 S. Orange Ave., Suite 700
Orlando, Florida 32801
Direct Telephone: (407) 310-2077
Facsimile: (407) 423-1831

/s/ Martin S. Friedman
Martin S. Friedman

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by

E-mail to the following parties this 3rd day of November, 2020:

J. R. Kelly, Esquire
Stephanie Morse, Esquire
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, FL 32399-1400
morse.stephanie@leg.state.fl.us
kelly.jr@leg.state.fl.us

Jennifer Crawford, Esquire
Walter Trierweiler, Esquire
Bianca Lherisson, Esquire
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
wtrierwe@psc.state.fl.us
jcrawfor@psc.state.fl.us
BLheriss@psc.state.fl.us

/s/ Martin S. Friedman
Martin S. Friedman

AFFIDAVIT OF MAILING

STATE OF FLORIDA

COUNTY OF LEON_

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared Renee Fulmer, who, after being duly sworn on oath, did depose on oath and say that she is a Billing Specialist with Utilities, Inc. and on behalf of Utilities, Inc., of Florida, on or before October 30, 2020, a copy of the Notice, attached hereto, was sent by regular U.S. Mail to all customers of the Utility.

FURTHER AFFIANT SAYETH NAUGHT.

Renee Fulmer

Renee Fulmer
Billing Specialist

Sworn to and subscribed before me by means of physical presence or online notarization this 30 day of October, 2020, by Renee Fulmer who is personally known to me.



Ann M Raponi

Ann Raponi
NOTARY PUBLIC

My Commission Expires: 7/12/21

BEFORE THE PUBLIC SERVICE COMMISSION

INITIAL CUSTOMER NOTICE

TO THE CUSTOMERS OF
UTILITIES, INC. OF FLORIDA
AND
ALL OTHER INTERESTED PERSONS

RE: DOCKET NO. 20200139-WS

APPLICATION FOR INCREASE IN WATER AND WASTEWATER RATES
IN CHARLOTTE, HIGHLANDS, LAKE, LEE, MARION, ORANGE, PASCO,
PINELLAS, POLK, AND SEMINOLE COUNTIES

DATED: October __, 2020

BACKGROUND

Utilities Inc., of Florida (the "Utility") is a water and wastewater utility whose corporate offices are located at 200 Weathersfield Avenue, Altamonte Springs, Florida. The Utility's water and wastewater facilities are located in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties, Florida.

On June 30, 2020, the Utility filed an application with the Florida Public Service Commission (the "Commission") for an increase in its water and wastewater rates to its customers based on an historical test year ending December 31, 2019. Final rates and interim rates are based upon the same test year. The application is assigned Docket No. 20200139-WS and August 31, 2020, was established as the official date of filing.

The Utility is requesting a rate increase because the existing rates do not provide sufficient revenues to cover the required expenses of operations on a going-forward basis and a fair return on the Utility's investment in used and useful property for the public use, including pro forma projects. The rate of return on equity requested in this proceeding on a system-wide basis is 11.75%. The overall return requested (the weighted cost of debt and equity) is 7.889%. According to the Utility's books, Utilities, Inc. of Florida states that its current overall rate of return without a rate increase is 4.22% for its water systems and 2.56% for its wastewater systems. The Company's last rate proceeding was in Docket No. 20160101-WS utilizing a historic December 31, 2015, test year. That proceeding culminated in Order No. PSC-2017-0361-FOF-WS, issued September 25, 2017, as amended by Order No. PSC-2017-0361A-FOF-WS issued October 4, 2017. On remand from the First District Court of Appeal, Order No. PSC-2019-0363-PAA-WS was issued on August 27, 2019.

The Utility has requested a permanent revenue increase for its water and wastewater systems of \$2,812,445, or 16.94% for its water system, and \$6,521,686, or 32.12% increase for its wastewater system. The requested increase would produce annual revenues of \$19,416,373 for its water system and \$26,827,568 for its wastewater system.

SEE ATTACHED RATE SCHEDULES

The Utility has incurred substantial additional operating costs and capital investment. Copies of the MFRs, the Rate Case Synopsis, and the Utility's application will be available for inspection at the following locations (due to COVID-19 these times may change, so contact the library in advance of visiting):

Lakeland Public Library
100 Lake Morton Road
Lakeland, FL 33801
Monday – Thursday:
9:00 a.m. to 9:00 p.m.
Friday – Saturday:
9:00 a.m. to 5:00 p.m.
Sunday: 1:30 p.m. to 5:00 p.m.

Lakes Regional Library
15290 Bass Road
Fort Myers, FL 33919
Monday – Wednesday:
10:00 a.m. to 6:00 p.m.
Thursday - Saturday
10:00 a.m. to 4:00 p.m.
Sunday: (Closed)

Cooper Memorial Library
2525 Oakley Seaver Drive
Clermont, FL 34711
Monday – Thursday:
10:00 a.m. to 5:00 p.m.
Friday – Saturday:
10:00 a.m. to 2:00 p.m.
Sunday: (Closed)

Freedom Public Library
5870 SW 58th St.
Ocala, Florida 34476
Monday - Friday:
10:00 a.m. to 6:00 p.m.
Saturday:
10:00 a.m. to 4:00 p.m.
Sunday: (Closed)

Leesburg Public Library
100 East Main Street
Leesburg, FL 34748
Monday – Saturday:
10:00 a.m. to 5:00 p.m.
Saturday - Sunday: (Closed)

Englewood Charlotte Library
3450 North Access Road
Englewood, FL 34224
Curbside only
Tuesday – Saturday:
10:00 a.m. to 5:00 p.m.
Sunday - Monday: (Closed)

St. Petersburg Public Library
South Branch
2300 Roy Hanna Drive S
St. Petersburg, FL 33712
Monday - Saturday:
10:00 a.m. to 1:00 p.m.
2:00 p.m. to 5:00 p.m.
Sunday: (Closed)

Orange County Public Library
101 E. Central Boulevard
Orlando, FL 32810
Monday – Saturday:
10:00 a.m. to 6:00 p.m.
Sunday: (Closed)

Zephyrhills Public Library
5347 8th Street
Zephyrhills, Florida 33542
Tuesday:
9:00 a.m. to 7:00 p.m.
Tuesday – Thursday
9:00 a.m. to 6:00 p.m.
Saturday:
9:00 a.m. to noon
Sunday - Monday: (Closed)

Regency Park Branch Library
9701 Little Road
New Port Richey, FL 34654
Monday & Tuesday:
10:00 to 8:00 p.m.
Wednesday & Thursday:
10:00 a.m. to 6:00 p.m.
Friday & Saturday:
10:00 a.m. to 5:00 p.m.
Sunday: (Closed)

Lake Placid Memorial Library
205 W. Interlake Blvd.
Lake Placid, Florida 33852
Tuesday:
10:30 a.m. to 6:30 p.m.
Wednesday – Saturday:
9:30 a.m. to 5:30 p.m.
Sunday - Monday: (Closed)

Palm Harbor Library
2330 Nebraska Ave.
Palm Harbor, FL 34683
Monday – Thursday:
10:00 a.m. to 6:00 p.m.
Friday – Saturday:
10:00 a.m. to 5:00 p.m.
Sunday: (Closed)

Utilities, Inc. of Florida
200 Weathersfield Avenue
Altamonte Springs, FL 32714
Office Hours:
Monday through Friday:
8:00 a.m. to 4:30 p.m.

The test period for setting rates is the historical average thirteen-month period ended December 31, 2020.

SERVICE AVAILABILITY CHARGES

The Utility is not requesting any changes to its service availability charges. Even though not requested to do so, the Commission may review and adjust service availability charges.

PROCEDURES AFTER CUSTOMER HEARINGS

The following tentative schedule was established by the Commission for the remaining major events in the Utility's rate case (customer hearings will be scheduled and you will be provided with a separate notice of the dates, times and locations):

<u>Schedule Item</u>	<u>Due Dates</u>
Prehearing Conference	01/19/2021
Technical Hearing	02/02-04/2021
Briefs Due from Parties	02/18/2021

HOW TO CONTACT THE COMMISSION

Any person who wishes to comment or provide information to Commission staff may do so at the meetings, either orally or in writing. Other written comments regarding the Utility and the proposed rates, or requests to be placed on the mailing list for this case, may be directed to this address:

Florida Public Service Commission
Director, Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

A courtesy copy of written comments and complaints is not required, but may be mailed or emailed to the following:

Martin S. Friedman, Esquire
Dean Mead Law Firm
420 South Orange Avenue, Suite 700
Orlando, Florida 32801
mfriedman@deanmead.com

All correspondence should refer to “Docket No. 20200139-WS, Utilities, Inc. of Florida”. Your letter will be placed in the correspondence file of this docket. You may also submit comments through the Florida Public Service Commission’s toll-free facsimile line at 1-800-511-0809, or the Commission’s website available at <http://floridapsc.com/ConsumerAssistance/ComplaintForm>.

If you wish to contact the Florida Public Service Commission regarding complaints about service, you may call the Commission’s Division of Consumer Assistance and Outreach at the following toll-free number 1-800-342-3552.

This notice was prepared by the Utility and approved by Commission staff for distribution by the Utility to its customers. If you have any questions, please call the Utility’s office at (866) 842-8432.

WATER RATES

	Utility's Rates in Effect at 12/31/2019 (1)	Utility's Existing Rates (2)	Utility's Requested Interim	Utility's Final Requested	Commission Approved Interim Rates
<u>Residential and General Service</u>					
Base Facility Charge by Meter Size					
5/8" x 3/4"	\$11.07	\$11.28	\$11.71	\$13.23	\$11.71
3/4"	\$16.61	\$16.92	\$17.57	\$19.85	\$17.57
1"	\$27.68	\$28.20	\$29.29	\$33.08	\$29.28
1-1/2"	\$55.35	\$56.40	\$58.57	\$66.17	\$58.55
2"	\$88.56	\$90.24	\$93.71	\$105.86	\$93.68
3"	\$177.12	\$180.48	\$187.43	\$211.73	\$187.36
4"	\$276.75	\$282.00	\$292.85	\$330.83	\$292.75
6"	\$553.50	\$564.00	\$585.70	\$661.65	\$585.50
8"	\$885.60	\$902.40	\$937.13	\$1,058.64	\$936.80
10"	\$1,605.15	\$1,635.60	\$1,698.54	\$1,918.79	\$1,697.95
Charge per 1,000 gallons - Residential Service					
0-4,000 gallons	\$1.56	\$1.59	\$1.65	\$1.87	\$1.65
4,001-12,000 gallons	\$2.33	\$2.37	\$2.46	\$2.78	\$2.46
Over 12,000 gallons	\$3.89	\$3.96	\$4.11	\$4.65	\$4.11
Charge per 1,000 gallons - General Service					
	\$2.63	\$2.68	\$2.78	\$3.14	\$2.78
<u>Private Fire Protection Service</u>					
1 1/2"	\$4.61	\$4.70	\$4.88	\$5.51	\$4.88
2"	\$7.38	\$7.52	\$7.81	\$8.82	\$7.81
3"	\$14.76	\$15.04	\$15.62	\$17.64	\$15.61
4"	\$23.06	\$23.50	\$24.40	\$27.57	\$24.40
6"	\$46.13	\$47.00	\$48.81	\$55.14	\$48.79
8"	\$73.80	\$75.20	\$78.09	\$88.22	\$78.07
10"	\$133.76	\$136.30	\$141.55	\$159.90	\$141.50
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u>					
3,000 Gallons	\$15.75	\$16.05	\$16.66	\$18.84	\$16.66
6,000 Gallons	\$21.97	\$22.38	\$23.23	\$26.27	\$23.23
8,000 Gallons	\$26.63	\$27.12	\$28.15	\$31.83	\$28.15

(1) The interim rate increase was applied to the rates in effect as of 12/31/2019.

(2) The current rates became effective May 31, 2020 as a result of a price index.

WASTEWATER RATES

	Utility's Rates in Effect at 12/31/2019 (1)	Utility's Existing Rates (2)	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim Rates
<u>Residential Service (RS1)</u>					
All Meter Sizes	\$26.20	\$26.72	\$27.64	\$35.44	\$27.63
Charge per 1,000 gallons (8,000 gallon cap)	\$4.19	\$4.27	\$4.42	\$5.66	\$4.42
<u>Residential Service (RS2)</u>					
All Meter Sizes	\$52.39	\$53.44	\$55.29	\$70.89	\$55.26
Charge per 1,000 gallons (16,000 gallon cap)	\$4.19	\$4.27	\$4.42	\$5.66	\$4.42
<u>Residential Service (RS3)</u>					
Flat Rate	\$47.13	\$48.06	\$49.72	\$63.75	\$49.70
<u>Residential Service (RS4)</u>					
Flat Rate	\$94.26	\$96.13	\$99.45	\$127.52	\$99.40
<u>General Service (GS1)</u>					
Base Facility Charge by Meter Size					
5/8" x 3/4"	\$26.20	\$26.72	\$27.64	\$35.44	\$27.63
3/4"	\$39.30	\$40.08	\$41.47	\$53.17	\$41.45
1"	\$65.50	\$66.80	\$69.11	\$88.61	\$69.08
1-1/2"	\$131.00	\$133.60	\$138.22	\$177.22	\$138.15
2"	\$209.60	\$213.76	\$221.15	\$283.55	\$221.04
3"	\$419.20	\$427.52	\$442.29	\$567.10	\$442.08
4"	\$655.00	\$668.00	\$691.08	\$886.10	\$690.75
6"	\$1,310.00	\$1,336.00	\$1,382.17	\$1,772.19	\$1,381.50
8"	\$2,096.00	\$2,137.60	\$2,211.46	\$2,835.51	\$2,210.40
10"	\$3,799.00	\$3,874.40	\$4,008.28	\$5,139.36	\$4,006.35
Charge per 1,000 gallons	\$5.02	\$5.11	\$5.29	\$6.78	\$5.29
(1) The interim rate increase was applied to the rates in effect as of 12/31/2019.					
(2) The current rates became effective May 31, 2020 as a result of a price index.					

	Utility's Rates in Effect at 12/31/2019 (1)	Utility's Existing Rates (2)	Utility's Requested Interim Rates	Utility's Requested Final Rates	Commission Approved Interim Rates
<u>General Service (GS2)</u>					
5/8" x 3/4"	\$52.40	\$53.44	\$55.29	\$70.89	\$55.26
3/4"	\$78.60	\$80.16	\$82.93	\$106.33	\$82.89
1"	\$131.00	\$133.60	\$138.22	\$177.22	\$138.15
1 1/2"	\$262.00	\$267.20	\$276.43	\$354.44	\$276.30
2"	\$419.20	\$427.52	\$442.29	\$567.10	\$442.08
3"	\$838.40	\$855.04	\$884.59	\$1,134.20	\$884.16
4"	\$1,310.00	\$1,336.00	\$1,382.17	\$1,772.19	\$1,381.50
6"	\$2,620.00	\$2,672.00	\$2,764.33	\$3,544.39	\$2,763.00
8"	\$4,192.00	\$4,275.20	\$4,422.93	\$5,671.02	\$4,420.80
10"	\$7,598.00	\$7,748.80	\$8,016.56	\$10,278.73	\$8,012.70
Charge per 1,000 gallons	\$5.02	\$5.11	\$5.29	\$6.78	\$5.29
<u>General Service (GS3)</u>					
Flat Rate	\$47.13	\$48.06	\$49.72	\$63.75	\$49.70
<u>General Service (GS4)</u>					
Flat rate (905 ERCs)	\$42,652.65	\$43,494.30	\$44,997.22	\$57,694.88	\$44,978.50
<u>Bulk Service (BS1)</u>					
All Meter Sizes (58 ERCs)	\$1,519.60	\$1,549.76	\$1,603.31	\$2,055.75	\$1,602.54
Charge per 1,000 gallons	\$4.19	\$4.27	\$4.42	\$5.66	\$4.42
<u>General Reuse Service (GRS1)</u>					
(3)					
All Meter Sizes	\$7.82	\$7.92	\$8.19	\$10.51	\$7.92
Charge per 1,000 gallons	\$1.48	\$1.50	\$1.55	\$1.99	\$1.50
<u>Typical Residential 5/8" x 3/4" Meter Bill Comparison (RS1)</u>					
3,000 Gallons	\$38.77	\$39.53	\$40.90	\$52.42	\$40.89
6,000 Gallons	\$51.34	\$52.34	\$54.16	\$69.40	\$54.15
8,000 Gallons	\$59.72	\$60.88	\$63.00	\$80.72	\$62.99

(1) The interim rate increase was applied to the rates in effect as of 12/31/2019.

(2) The current rates became effective May 31, 2020 as a result of a price index.

(3) Reuse rates were not increased for interim. Reuse rates are market based rates and will be evaluated for final recommendation.