

January 15, 2021

Florida Public Service Commission

Office of Commission Clerk

2540 Shumard Oak Boulevard

Tallahassee, FL 32399-0850

Subject: Utilities of Florida, Inc. Rate Increase Request, Docket No. 2020139-WS

Commissioners:

Cypress Lakes residents have been made aware of this filing and wish to have some concerns addressed at the upcoming Technical Hearings, which we intend to participate in.

Our first concern deals with the information in Vol. 1, filed at the Lakeland Public Library; it contains only financial information on the parent company. There are no breakdowns by individual elements of the company. Such items as capital allocation, maintenance cost and employment levels for the various individual companies are items of major concern in our analysis of the proposed rate structure.

Our second major concern involves the lack of company profile information as to changes since the last rate case filing dealing with Test Year 2015. Comparing the resident SFR numbers for Test year 2015 versus Test Yest 2019, attached Table 1, we note no significant increase among the individual companies except for Lake Utility Service. However, the analysis of the Schedule of Water and Wastewater Plant in Service, Schedule A-4 Revised of the filing as summarized in attached Table 2, shows a \$54 M increase over the four years. This would suggest a change in the commercial elements of some companies. Commercial levels of activities among the various individual companies have been lacking in both the Test Year 2015 and Test Year 2019 filings. Further suggestion of expansion of such activity is found in noting that both Employee Salary & Wages as well as Management Salary & Wages have both increased more than 50% in four years reflecting more than simply monetary increases.

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Our third concern is a competitive concern. As we are the only residential 55 + community in Polk County that is part of Utilities, Inc of Florida which is competing with a myriad of similar communities just in the city of Lakeland, we are concerned with any financial element that reflects poorly on our attractiveness to future retiree visitors. The proposed rate increase, as shown in Table 3, changes us from being competitive to facing a 30 % penalty.

Certain commissioner may recall that in the rate request prior to the consolidated rate increase of 2015 one, the Commission ruled that residents would pay 90 % of the cost of a plant expansion that was requested by Park management for a community expansion. Our resident do not accept a rate increase that appears to be commercially driven.

We would appreciate if our concerns were addressed in the upcoming Technical hearings.

Sincerely:



Dr. Robert M. Halleen, PhD

Director, Cypress lakes Homeowners Association

2237 Big Cypress Blvd.

Lakeland, Fl. 33810

TABLE 1

RESIDENTIAL CUSTOMERS

	SFR CUSTOMERS - WATER		SFR CUSTOMERS - WASTEWATER	
	2015	2019	2015	2019
CYPRESS LAKES	1457	1583	1457	1583
EAGLE RIDGE	NA	NA	764	757
LABRADOR	886	891	886	891
LAKE PLACID	108	113	108	113
LUSI	9753	11383	3245	3940
LAKE SAUNDERS	40	44	NA	NA
FOUR LAKES	68	71	NA	NA
BARRINGTON	NA	NA	?	NA
LAKE GROVE	NA	NA	AS LAKE UTILITY	
MARION-GOLDEN HUNT	490	495	83	85
MID COUNTY	NA	NA	2003	2082
ORANGE -CRES. HTS	264	268	NA	NA
ORANGE - DAVIS SHORES	44	45	NA	NA
PASCO-SUMMERTREE	1164	1184	1164	1184
PASCO - ORANGWOOD	1675	1675	159	150
PENNBROOKE	1223	1235	1223	1235
LAKE TARPON	500	504	NA	NA
TIERRA VERDE	NA	NA	945	963
SANDALHAVEN	NA	NA	747	791
SANLANDO	9571	9665	8015	8017
SEMINOLE - BEAR LAKE	214	212	NA	NA
RAVENNA PARK	590	607	232	235
LINCOLN HTS.	NA	NA	NA	NA
JENSEN	251	252	NA	NA
LITTLE WEKIVA	61	62	NA	NA
OAKLAND SHORES	211	211	NA	NA
PARK RIDGE	100	99	NA	NA
WEATHERSFIELD	1163	1165	1160	1164
LONGWOOD	NA	NA	1549	NA
TOTAL	29619	31764	23740	23190

TABLE 2**NET SERVICE ADDITIONS**

[SCHEDULE A-4 Revised]

	WATER	WASTEWATER
BALANCE TY2015	\$94,030,336	\$103,467,995
CHANGES [ADD/SUB/ADJ]	-\$5,243,019	\$8,439,767
BALANCE TY2016	\$88,787,317	\$111,907,762
CHANGES	\$7,301,005	\$7,562,349
BALANCE TY2017	\$96,883,232	\$119,470,111
CHANGES	\$17,151,406	\$16,992,349
BALANCE TY2018	\$113,239,728	\$136,462,460
CHANGES	\$6,010,641	\$4,318,733
BALANCE TY2019	\$119,250,369	\$140,781,193
TOTAL CHANGES	\$25,220,052	\$28,873,844
TOTAL		54,093,896

TABLE 3 WATER & WASTEWATER RATE COMPARISON

Consider a resident using 4,000 gal. per month	Cypress Lakes					City of Lakeland	
	2015	2017	2020	INTERIM	PROPOSED	Inside City	Outside City
Water Base Charge	\$7.04	\$11.22	\$11.28	\$11.71	\$13.24	\$10.40	\$14.06
Rate [\$ per 1000 gal.]	\$4.84	\$1.80	\$1.59	\$1.65	\$1.87	\$2.29	\$2.29
Gallonage charge	\$19.36	\$7.20	\$6.36	\$6.60	\$7.48	\$9.16	\$9.16
Polk County Tax [10%]	\$2.64	\$1.84	\$1.76	\$1.83	\$2.07	NA	NA
Total ROE Credit	NA	NA	-\$0.11	NA	NA	NA	NA
Total Water	\$29.04	\$20.26	\$19.69	\$20.14	\$22.79	\$19.56	\$23.22
Wastewater Base Charge	\$21.00	\$25.13	\$26.72	\$27.63	\$35.44	\$19.51	\$24.38
Rate [\$ per 1000 gal.]	\$7.08	\$3.96	\$4.27	\$4.42	\$5.66	\$4.37	\$4.37
Gallonage Charge	\$28.32	\$15.84	\$17.08	\$17.68	\$22.64	\$17.48	\$17.48
Polk County Tax [10%]	NA	NA	NA	NA	NA	NA	NA
Total ROE credit	NA	NA	-\$0.50	NA	NA	NA	NA
Total Wastewater	\$49.32	\$40.97	\$43.30	\$45.33	\$58.08	\$36.99	\$36.99
Total Bill	\$78.36	\$61.23	\$62.99	\$72.96	\$80.87	\$56.15	\$60.21

January 21, 2021

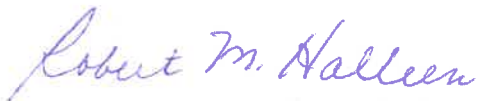
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Commissioners:

We have tried to send the attached document to be added to the Commission Docket file for the above listed topic through the fax number provided in the Utilities of Florida correspondence to our residents about the proposed rate increase. Our receptionist has been unable to make this happen. She tried several times each day.

Sincerely:



Dr. Robert M. Halleen, PhD

Director, Cypress lakes Homeowners Association

2237 Big Cypress Blvd.

Lakeland, Fl. 33810

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