

FLORIDA PUBLIC SERVICE COMMISSION

Item 11

VOTE SHEET

June 7, 2022

FILED 6/7/2022
DOCUMENT NO. 03467-2022
FPSC - COMMISSION CLERK

Docket No. 20200226-SU – Application for certificate to provide wastewater service in Charlotte County, by Environmental Utilities, LLC.

Issue A: Should Environmental Utilities’ Motion to Reopen the Record be granted?

Recommendation: Yes. Granting the motion will complete the record in this proceeding. No party is prejudiced by reopening the record, and no party opposed reopening the record for the limited purpose of admitting witness Swain’s prefiled direct testimony into the record.

APPROVED

COMMISSIONERS ASSIGNED: Clark, Passidomo, La Rosa

COMMISSIONERS’ SIGNATURES

MAJORITY

DISSENTING

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REMARKS/DISSENTING COMMENTS:

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Issue 1: Has Environmental Utilities met the filing and noticing requirements pursuant to Rules 25-30.030 and 25-30.033, F.A.C.?

Recommendation: The Utility properly notified potential customers of its application and met the noticing requirements of Rule 25-30.030, F.A.C. However, EU's application erroneously identifies the proposed service territory's current land use designation as Compact Growth Mixed Use. Although the application as filed noted the incorrect land use designation, this error has no meaningful impact on whether or not EU's application should be granted. The application meets all other requirements of Rule 25-30.033, F.A.C.

APPROVED

Issue 2: Is there a need for service in Environmental Utilities' proposed service territory and, if so, when will service be required?

Recommendation: No. The evidence in the record does not contain any requests for service from existing property owners or potential developers. In addition, no evidence was presented to demonstrate that any state or local environmental regulator has mandated the installation of central wastewater service in the proposed service territory at this time or identified any immediate health concerns. Further, EU's application may be inconsistent with the Charlotte County Comprehensive Plan.

APPROVED

Issue 3: Is Environmental Utilities' application consistent with Charlotte County's Sewer Master Plan?

Recommendation: EU's application does not appear to be consistent with Charlotte County's Sewer Master Plan.

APPROVED

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Issue 4: Will the certification of Environmental Utilities result in the creation of a utility which will be in competition with, or duplication of, any other system?

Recommendation: Yes. A portion of EU's proposed service territory is currently receiving wastewater service from Knight Island Utilities. If the Commission grants EU's request for certification, the Utility should be required to file an amended territory description and map within 30 days of the issuance of the Commission's order, and this docket should remain open for the parties and Commission to address the amended territory description and map.

APPROVED

Issue 5: Does Environmental Utilities have the financial ability to serve the requested territory?

Recommendation: Yes. The Utility has the financial ability to serve the requested territory.

APPROVED

Issue 6: Does Environmental Utilities have the technical ability to serve the requested territory?

Recommendation: Yes. EU demonstrated that, with the retention of outside professionals for the construction and operation of its systems, it has the technical ability to serve the requested territory.

APPROVED

Issue 7: Will Environmental Utilities have sufficient plant capacity to serve the requested territory?

Recommendation: Yes. The Bulk Agreement with the County reserves adequate capacity to serve the proposed service territory and demonstrates that EU has properly planned for the estimated needs of the proposed service area.

APPROVED

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Issue 8: Has Environmental Utilities provided evidence that it has continued use of the land upon which the utility treatment facilities are or will be located?

Recommendation: Wastewater treatment will occur pursuant to a Bulk Service Agreement. As such, EU does not own or operate the treatment facilities and evidence of continued use of the land is not required or applicable in this instance.

APPROVED

Issue 9: Is it in the public interest for Environmental Utilities to be granted a wastewater certificate for the territory proposed in its application?

Recommendation: No. Based on staff's recommendation in Issue 2, EU has not demonstrated a need for service exists; therefore, its request for certification is not in the public interest and should be denied. However, if the Commission believes the application should be granted, the Utility should be required to file an amended territory description and map within 30 days of the issuance of the Commission's order, and this docket should remain open for the parties and Commission to address the amended territory description and map, as discussed in Issue 4.

APPROVED

Issue 10: What are the appropriate rate structures and rates for the wastewater system for Environmental Utilities?

Recommendation: If the Commission approves staff's recommendation in Issue 9, Issues 10 through 13 are moot. However, staff's recommended wastewater rates, shown on Schedule No. 4, should be approved if the Commission grants the Utility's certificate. The Utility's proposal to include a repression adjustment should be denied; therefore, the staff-recommended rates shown on Schedule No. 4 do not include a repression adjustment. The rates should be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475, F.A.C. The Utility should be required to charge the approved rates until authorized to change them by the Commission in a subsequent proceeding. A return on equity of 7.85 percent, with a range of plus or minus 100 basis points, should also be approved.

MOOT

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Issue 11: What are the appropriate service availability charges?

Recommendation: If the Commission approves staff’s recommendation in Issue 9, Issues 10 through 13 are moot. However, if the Commission approves EU’s application, the appropriate service availability charges are shown on Schedule No. 5 and should be approved. In addition, the Utility’s proposed service availability policy should be approved. The approved charges and policy should be effective for connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. EU should be required to collect its approved service availability charges until authorized to change them by the Commission in a subsequent proceeding.

MOOT

Issue 12: What are the appropriate miscellaneous service charges for Environmental Utilities?

Recommendation: If the Commission approves staff’s recommendation in Issue 9, Issues 10 through 13 are moot. However, if the Commission approves EU’s application, the appropriate miscellaneous service charges are shown on Schedule No. 5 and should be approved. The Utility should file revised tariff sheets and a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective for services rendered on or after the stamped approval date on the tariff sheet provided customers have received notice pursuant to Rule 25-30.475(1), F.A.C. The Utility should provide proof of noticing within 10 days of rendering the approved notice.

MOOT

Issue 13: What are the appropriate initial customer deposits for Environmental Utilities?

Recommendation: If the Commission approves staff’s recommendation in Issue 9, Issues 10 through 13 are moot. However, if the Commission approves EU’s application, the appropriate initial customer deposit is \$380 for wastewater for the residential 5/8 inch x 3/4 inch meter size. The initial customer deposits for all other residential meter sizes and all general service meter sizes should be two times the average estimated bill. The approved customer deposits should be effective for connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. The Utility should be required to collect the approved initial customer deposits until authorized to change them by the Commission in a subsequent proceeding.

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Issue 14: Should this docket be closed?

Recommendation: If staff's recommendation on Issue 9 is approved, this docket should be closed. If the Commission approves EU's request for certification, the Utility should be required to file an amended territory description and map within 30 days of the issuance of the Commission's order, and this docket should remain open for the parties and Commission to address the amended territory description and map.

APPROVED