

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for limited proceeding in
Highlands County by HC Waterworks, Inc.

DOCKET NO. 20210184-WS

FILED: July 1, 2022

**JOINT MOTION OF HC WATERWORKS, INC. AND
THE OFFICE OF PUBLIC COUNSEL FOR
APPROVAL OF STIPULATION AND SETTLEMENT**

The Citizens of the State of Florida, by and through the Office of Public Counsel (OPC), and HC Waterworks, Inc. (HCWW or Utility), (collectively, “Joint Movants”), by and through their undersigned attorneys and representatives, respectfully move the Florida Public Service Commission (Commission or PSC) to approve a Stipulation and Settlement addressing issues associated with PSC Docket No. 20210184-WS, which the Joint Movants have entered into in order to resolve the litigation. In support hereof, the Joint Movants state as follows:

1. On November 23, 2021, HCWW filed a petition for limited proceeding in which it requested an adjustment of its rates due to the end of the amortization period on the negative acquisition adjustment reflected in the 2014 Order approving its acquisition of the utility. See Order No. PSC-14-0314-PAA-WS.

2. On May 23, 2022, the Commission issued PAA Order No. PSC-2022-0192-PAA-WS (the PAA Order) which provided HCWW a revenue requirement increase of \$35,220 for water and an increase of \$15,862 for wastewater. These amounts represent a 4.64 percent increase for water and an 18.72 percent increase for wastewater, or increases of \$4.06 and \$9.94 for a typical residential customer who uses 5,000 gallons of water and wastewater, respectively, per month. PAA Order, p. 7, 18-19.

3. On June 13, 2022, OPC timely filed a petition protesting the PAA Order and requesting an evidentiary hearing. The bases of OPC's protest and request for hearing were certain customer service and due process issues outlined in OPC's petition.

4. The Joint Movants negotiated in good faith to resolve the issues in this docket and thereby avoid the need for any further expensive and time-consuming litigation before the Commission. These efforts have been successful and the result is the Stipulation and Settlement attached hereto as Attachment A (the Settlement Agreement).

6. The Settlement Agreement is the result of good faith efforts to address the issues in this proceeding in a manner that will clarify and resolve issues raised in the docket and avoid the unnecessary expense and uncertainty associated with further litigation. The Settlement Agreement results in a fair, just, and reasonable disposition of the docket to the benefit of both parties. Therefore, the Joint Movants submit the Settlement Agreement is in the public interest and respectfully request its approval as further described below.

7. In furtherance of this Joint Motion and approval of the Settlement Agreement, the Joint Movants waive any right to seek reconsideration of, or otherwise appeal, any decision of the Commission approving, in its entirety, the Settlement Agreement.

8. As set forth in the attached Settlement Agreement, the Joint Movants have reached agreement, as follows:

(a) The Joint Movants agree the record for the instant Docket should reflect that prior to the May 3, 2022 Agenda Conference, 22 customers submitted comments to the Docket opposing the rate increase and lodging various complaints about poor water quality, including but not limited to, discolored clothes from the water, unacceptable water pressure and bad taste.

(b) The Joint Movants further agree that prior to the May 3, 2022 Agenda Conference, the Commission's Customer Assistance and Outreach (CAO) division was in possession of a petition complaint letter signed by 143 customers (the Petition). The face of the Petition was stamped received by the PSC on April 22, 2022, and the text includes a "formal complaint" about HCWW's water and sewage plants, noise and odor from the sewage plant, and the statement "we find it difficult to accept a water rate increase again this year when our request for better service has not been satisfied." The Joint Movants acknowledge the PSC did not post the Petition to the instant Docket file prior to the May 3, 2022 Agenda Conference.

(c) The Joint Movants agree that after the Petition was submitted to the PSC, representatives for HCWW responded to several customers and met with the community's developer at the site of the subject plants. Further, HCWW advised a customer that the utility is in the process of conducting an engineering study and obtaining estimates for noise mitigation and odor control. HCWW advised OPC of its plans to construct a roof over the sewage blower room and to present costs for additional proposed abatement measures at a meeting with customers at the Covered Bridge HOA in the fall, when seasonal residents return to the community.

(d) The Joint Movants agree the final order in this case should reference the Petition signed by 143 customers and HCWW's subsequent communications with customers and OPC regarding plans to work toward addressing the customers' complaints.

(e) OPC agrees to withdraw its protest of the PAA Order, and the Joint Movants agree the terms of the Settlement Agreement as referenced herein shall be made part of a final order or such other order entered by the Commission to implement the terms of the Settlement Agreement.

(f) The Joint Movants further agree that approval of the Settlement Agreement in its entirety will resolve all matters and issues which are the subject matter of the

Docket No. 20210184-WS

Settlement Agreement in Docket No. 20210184-WS, and that neither Party shall seek appellate review of any order pertaining to the Settlement Agreement.

9. The Joint Movants represent that the Settlement Agreement provides an equitable and just balance of the positions of the Joint Movants on the issues in this proceeding. The Joint Movants submit approval of the Settlement Agreement is in the best interests of both the Utility and its customers, and therefore, respectfully request approval of same.

10. Commission approval of this Joint Motion is consistent with the Commission's long-standing policy to encourage settlements that provide benefits to the customers and avoid unnecessary additional litigation expense.

WHEREFORE, the Joint Movants respectfully request that the Commission approve the Settlement Agreement attached hereto as Attachment A.

Respectfully submitted this 1st day of July, 2022, by:



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CERTIFICATE OF SERVICE
DOCKET NO. 20210184-WS

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on this 1st day of July 2022, to the following:

Mr. Troy Rendell
HC Waterworks, Inc.
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New Port Richey, FL 34652
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Attachment A
Docket No. 20210184

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for a Limited Proceeding by
HC Waterworks, Inc. in Highlands County

DOCKET NO. 20210184-WU

FILED: July 1, 2022

STIPULATION AND SETTLEMENT AGREEMENT

WHEREAS, HC Waterworks, Inc. (HCWW 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 November 23, 2021, HCWW initiated the subject docket by submitting an Application for Limited Proceeding; and

WHEREAS, on May 23, 2022, the Public Service Commission (“PSC” or “the Commission”) entered PAA Order PSC-2022-0192-PAA-WS, approving a water and wastewater rate increase in for HCWW (“PAA Order”); and

WHEREAS, page 3 of the PAA Order stated “we received 20 customer comments opposing the rate increase. Additionally, one group of customers filed a complaint with our Customer Assistance and Outreach (CAO) division concerning the wastewater treatment plant,” and

WHEREAS, OPC filed a Petition Protesting the PAA Order on June 13, 2022; 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 approved by the Commission (the “Effective Date”).
2. The Parties agree the record for the instant Docket should reflect that prior to the May 3, 2022 Agenda Conference, 22 customers submitted comments to the Docket opposing the rate increase and lodging various complaints about poor water quality, including but not limited to, discolored clothes from the water, unacceptable water pressure and bad taste. Additionally, the Commission’s Customer Assistance and Outreach (CAO) division was in possession of a petition complaint letter signed by 143 customers. The face of the petition complaint letter was stamped received by the PSC on April 22, 2022, and the text includes a “formal complaint” about HCWW’s water and sewage plants, noise and odor from the sewage plant, and the statement “we find it difficult to accept a water rate increase again this year when our request for better service has not been satisfied.”
3. The Parties agree the petition complaint letter referenced above was not available in the Docket file prior to the May 3, 2022 Agenda Conference.
4. The Parties agree that after the petition complaint letter was submitted to the PSC, representatives for HCWW responded to several customers and met with the community’s

developer at the site of the subject plants. Further, HCWW advised a customer that the utility is in the process of conducting an engineering study and obtaining estimates for noise mitigation and odor control. HCWW advised OPC of its plans to construct a roof over the sewage blower room and to present costs for additional proposed abatement measures at a meeting with customers at the Covered Bridge HOA in the fall, when seasonal residents return to the community.


5. OPC agrees to withdraw its petition regarding the PAA Order, and the parties agree that the terms agreed to herein shall be made part of a Final Order. The Parties agree that the terms of the Final Order shall, without protest from either Party, become final and effective upon the issuance of such Order entered by the Commission to implement the terms of the instant Settlement Agreement and Final Order.
6. No Party to this Agreement will request, support, or seek to impose a change in the application of any provision hereof.
7. 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 in Docket No. 20210184-

WS pursuant to, and in accordance with, Section 120.57(4), Florida Statutes. No party shall seek appellate review of any order issued in this Docket, as it relates to the enforceability of this Agreement.

8. 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.

HC Waterworks, Inc.
c/o Troy Rendell
4939 Cross Bayou Blvd.
New Port Richey, FL 34652

By: 
Troy Rendell
(Printed Name)
Title: Secretary/Treasurer

Office of Public Counsel
Richard Gentry
The Florida Legislature
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Tallahassee, FL 32399-1400

By:  July 1, 2022
Richard Gentry