

STATE OF FLORIDA

COMMISSIONERS:
MIKE LA ROSA, CHAIRMAN
ART GRAHAM
GARY F. CLARK
ANDREW GILES FAY
GABRIELLA PASSIDOMO



DIVISION OF
ACCOUNTING AND FINANCE
ANDREW L. MAUREY
DIRECTOR
(850) 413-6900

Public Service Commission

July 26, 2024

Martin S. Friedman, Esquire
Dean Mead Law Firm
420 S. Orange Ave., Suite 700
P.O. Box 2346
Orlando, FL 32801
mfriedman@deanmead.com

Re: Docket No. 20240068-WS - Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties, by Sunshine Water Services.

Dear Mr. Friedman:

Staff has reviewed the minimum filing requirements (MFRs) submitted on June 28, 2024 on behalf of Sunshine Water Services (Sunshine or Utility). After review, we find the MFRs to be deficient. The specific deficiencies are identified as:

Deficiencies

1. Rule 25-30.437(1), Florida Administrative Code (F.A.C.), requires a utility to complete MFRs. The following values were not present in the utility's filings as set out by the instructions governing the MFRs. For the following items listed below, please correct the filings to address the errors as well as correct any fallout figures:
 - a. The Utility's adjustment to accumulated depreciation shown on Schedule A-1, line 9, column 3 and Schedule A-3, page 4, line 14 does not match the adjustment shown on Schedule A-9, line 45, column 3.
 - b. The Utility's adjustment to accumulated depreciation shown on Schedule B-2, line 3, column 3 and Schedule B-3, page 3, line 20 does not match the summation of the adjustments shown on Schedule B-6, line 29, columns 3 and 4.
 - c. For water on Schedule E-1, the Utility's present residential and general service base facility charge (BFC) for the 3/4" meter size does not match the Utility's current tariff. Please correct Schedule E-1 to reflect the correct BFC for the 3/4" meter size and any other schedules that may be affected by this change.

- d. For water on Schedule E-1, the Utility's proposed rates for residential and general service are not based on the American Water Works Association (AWWA) meter factors. Please round the BFC for the 5/8" x 3/4" meter size to the nearest hundredths place and apply the AWWA meter factors to the 5/8" x 3/4" BFC for all other meter sizes to determine the appropriate BFC. Please address all schedules that are affected by this change.
- e. For wastewater on Schedule E-1, the Utility's proposed general service rates appear to be based on the American Water Works Association meter factors; however, some of the rates appear to be rounding up by a few cents. Please round the BFC for the 5/8" x 3/4" meter size to the nearest hundredths place and apply the AWWA meter factors to the 5/8" x 3/4" BFC for all other meter sizes to determine the appropriate BFC. Please address all schedules that are affected by this change.
- f. For wastewater on Schedule E-1, the calculation for the proposed bulk service for Dee Ann Estates appears to be rounding up one cent. Please round the BFC for the 5/8" x 3/4" meter size to the nearest hundredths place and apply the 5/8" x 3/4" meter size BFC to Dee Ann Estates' 58 equivalent residential connections (ERCs) to determine the appropriate BFC. Please address all schedules that are affected by this change.
- g. For wastewater on Schedule E-1, the Utility's present flat rate for the Cross Creek Homeowners Association does not match the flat rate shown in the Utility's current tariff. Please correct Schedule E-1 to reflect the correct flat rate and any other schedules that may be affected by this change.
- h. For wastewater on Schedule E-1, the present rates for general service/bulk service (Mid County and Tierra Verde) do not match the Utility's current tariff. Please correct Schedule E-1 to reflect the appropriate tariffed rates and any other schedules that may be affected by this change.
- i. For wastewater on Schedule E-1, the proposed rates for the general service/bulk service (Mid County and Tierra Verde) appears to be based on the AWWA meter factors; however, some of the rates appear to be rounding down a few cents. Please round the BFC for the 5/8" x 3/4" meter size to the nearest hundredths place and apply the AWWA meter factors to the 5/8" x 3/4" BFC for all other meter sizes to determine the appropriate BFC. Please address all schedules that are affected by this change.
- j. For wastewater on Schedule E-1, the calculation for the proposed bulk service rate for Cross Creek HOA appears to be understated based on the Utility's proposed residential flat rate. Please round the proposed residential flat rate to the nearest hundredths place and apply the proposed flat rate to Cross Creek HOA's 905 ERCs to determine the appropriate rate. Please address all schedules that are affected by this change.

- k. On MFR Schedule F-8, there is one margin reserve calculation for wastewater treatment and disposal. However, Lake Utility Services encompasses Lake Groves and Barrington. Please identify which systems this calculation accounts for.
2. Rule 25-30.440, F.A.C. requires a utility to file additional engineering information. For the following subsections of the Rule, the deficiencies for the identified systems apply.
 - a. A detailed map showing: (a) The location and size of the applicant's distribution and collection lines as well as its plant sites, and (b) The location and respective classification of the applicant's customers.
 - i. Please provide a detailed map as required by subsection (1) of the Rule for the following:
 1. Davis Shores
 2. Barrington
 3. Lake Grove
 - b. A list of chemicals used for water and wastewater treatment, by type, showing the dollar amount and quantity purchased, the unit prices paid and the dosage rates utilized.
 - i. Wekiva Hunt Club, Crescent Heights, Davis Shores, Greater Groves Knollwood, Lake Louisa, and Lake Ridge Club – Please provide the information referenced in subsection (2) of the Rule.
 - c. All water and wastewater plant operating reports for the test year and the year preceding the test year.
 - i. Eagle Ridge – Please provide the information referenced in subsection (4) of the Rule.
 - d. All health department and Department of Environmental Protection (DEP) construction and operating permits.
 - i. Crescent Heights, Lake Placid, Four Lakes, and Davis Shores – Please provide the information referenced in subsection (6) of the Rule.

Mr. Martin S. Friedman

Page 4

July 26, 2024

- e. Provide a list, by customer, of all complaints received during the test year, with an explanation of how each complaint was resolved.
 - i. Lake Grove, Barrington, and Cross Creek – Please provide all complaints received during the test year. If none were received, please provide a statement specifying that no complaints were received during the test year.
3. Rule 25-30.110(2), Florida Administrative Code requires the MFRs be consistent and reconcilable with the Utility's annual reports. The gallons sold on Schedule E-2 and E-14 does not match the annual report. Please address all schedules that are affected by this change.

If any above corrections require a corresponding change to any other MFR schedules, those corrected schedules must also be submitted in accordance with Rule 25-30.436(4)(e), F.A.C. Your petition will not be deemed filed until the deficiencies identified in this letter have been corrected. These corrections should be submitted no later than August 26, 2024.

Sincerely,

Andrew L. Maurey

Andrew L. Maurey
Director

ALM:zp

cc: Division of Accounting and Finance (Cicchetti, Norris, Sowards)
Division of Auditing & Performance Analysis (Hicks, D. Brown)
Division of Economics (Draper, Hudson, Bruce)
Division of Engineering (King, Ramos, Ellis)
Office of the General Counsel (J. Crawford, Sandy)
Office of Commission Clerk (Docket No. 20240068-WS)