

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20240068-WU

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 Company.

PROCEEDINGS: SERVICE HEARING

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

DATE: Tuesday, December 17, 2024

TIME: Commenced: 10:00 a.m.
Concluded: 10:22 a.m.

PLACE: Eustis Community Center
601 Northshore Drive
Eustis, Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
TALLAHASSEE, FLORIDA
(850) 894-0828

1 APPEARANCES:

2 MARTIN S. FRIEDMAN, ESQUIRE, Dean Law Firm,
3 420 S. Orange Avenue, Suite 700, Orlando, Florida;
4 appearing on behalf of Sunshine Water Services.

5 WALT TRIERWEILER, PUBLIC COUNSEL; OCTAVIO
6 PONCE and AUSTIN WATROUS, ESQUIRES, OFFICE OF PUBLIC
7 COUNSEL, c/o The Florida Legislature, 111 West Madison
8 Street, Room 812, Tallahassee, Florida 32399-1400,
9 appearing on behalf of the Citizens of the State of
10 Florida.

11 RYAN SANDY and SAAD FAROOQI, ESQUIRES, FPSC
12 General Counsel's Office, 2540 Shumard Oak Boulevard,
13 Tallahassee, Florida 32399-0850, appearing on behalf of
14 the Florida Public Service Commission.

15 KEITH HETRICK, GENERAL COUNSEL; MARY ANNE
16 HELTON, DEPUTY GENERAL COUNSEL, Florida Public Service
17 Commission, 2540 Shumard Oak Boulevard, Tallahassee,
18 Florida 32399-0850, Advisor to the Florida Public
19 Service Commission.

20

21

22

23

24

25

1 P R O C E E D I N G S

2 CHAIRMAN LA ROSA: All right. It's 15 minutes
3 after 10:00. I think we can go ahead and start
4 going through the motions.

5 Again, welcome, this is the Sunshine Waters
6 service hearing, obviously hearing from the
7 customers and their, you know, their reaction and
8 relationships with Sunshine and their experiences.

9 Today is December 17th. We are here in
10 Eustis, Florida.

11 Let's go ahead and, staff, do you mind please
12 reading the notice?

13 MR. FAROOQI: Sure. Can you hear me?

14 Okay. By notice issued on November 18th,
15 2024, this time and place has been set for a
16 Customer Service hearing in Docket No. 20240068-WS.
17 The purpose --

18 CHAIRMAN LA ROSA: Lost you.

19 MR. FAROOQI: The purpose of this service
20 hearing is set forth more fully in the notice.

21 CHAIRMAN LA ROSA: Excellent. Thank you.

22 Let's go ahead and take appearances at this
23 time. We will start with Sunshine, Sunshine Water.

24 MR. FRIEDMAN: Marty Friedman on behalf of
25 Sunshine Water Services. Also with me is Sean

1 Twomey, the local president.

2 CHAIRMAN LA ROSA: Excellent. Thank you.

3 Office of Public Counsel.

4 MR. PONCE: Octavio Ponce with the Office of
5 Public Counsel. Also with me are the Public
6 Counsel Walt Trierweiler and Austin Watrous.

7 CHAIRMAN LA ROSA: Staff.

8 MR. FAROOQI: And on behalf of staff we have
9 Ryan Sandy and Saad Farooqi.

10 CHAIRMAN LA ROSA: Excellent. Thank you,
11 counsel.

12 Normally at this time we would start to hear
13 from customers. Obviously, without customers here
14 today, I don't necessarily need to go through all
15 of the individual instructions, but, of course, if
16 a customer does show up, I will backtrack and go
17 through the process.

18 Let's start with opening statements. If we
19 can maybe keep it to about three minutes or so, but
20 let's go ahead and start with Sunshine. I think
21 the mic should be --

22 MR. FRIEDMAN: Mr. Chairman, he is going to
23 make Sunshine.

24 CHAIRMAN LA ROSA: Excellent. Thank you.

25 MR. TWOMEY: Good morning, everybody, Chair,

1 Commissioners, thanks very much to making it to
2 Lake County today.

3 Sunshine Water Services strives to continue to
4 provide safe and reliable water and wastewater
5 service to its customers. The company's last rate
6 case was filed four years ago. However, due to a
7 variety of factors, the company is not able to meet
8 its ongoing operating and capital investment needs
9 at currently approved tariff rates. The company
10 has incurred economic pressures with certain costs
11 such as chemicals, insurance, maintaining market
12 competitive wages and health benefits.

13 Most significantly, the company is faced with,
14 like all water and wastewater utilities,
15 significant capital investment needs for its aging
16 water and wastewater infrastructure, as well as
17 ever-increasing environmental and safety standards
18 in operating its utility systems.

19 Sunshine Water Services is in the process of
20 investing approximately \$56 million in its
21 infrastructure to support its provision of safe and
22 reliable service as part of its total investment of
23 over 104 million since the end of 2021, which is
24 the end of the proforma period in our previous rate
25 case.

1 Without appropriate relief, Sunshine's Water
2 -- Sunshine Water's ability to continue to provide
3 environmentally safe, reliable and efficient water
4 and wastewater services to its customers and meet
5 its financial obligations would be adversely
6 affected.

7 Thank you.

8 CHAIRMAN LA ROSA: Thank you.

9 Office of Public Counsel.

10 MR. PONCE: Good morning. My name is Octavio
11 Ponce, and I am with the Office of Public Counsel.
12 For those of you unfamiliar with our office, we
13 were created by the Florida Legislature to
14 represent the customers of Sunshine Water Services
15 Company in proceedings such as this one. The
16 Public Counsel Walt Trierweiler is also here today.

17 We are here because Sunshine has filed an
18 application to increase their water and wastewater
19 rates. Sunshine wants an increase of approximately
20 \$4.5 million, or 19.9 percent in base revenues for
21 its water utility, and an increase of approximately
22 \$4.7 million, or 15.87 percent in base revenues for
23 its wastewater utility.

24 In response, our office has scrutinized
25 Sunshine's application to make sure their requests

1 are appropriate and to find cost savings for you,
2 Sunshine's customers. This led to our office
3 filing testimony on November 21st, contesting
4 several aspects of Sunshine's cases -- case.

5 The major issues we are fighting are a \$3.210
6 million increase for the company's request, and a 1
7 -- we are arguing for a decrease, excuse me, of \$3
8 million for its water request and \$1.5 million for
9 its wastewater request. We are contesting
10 Sunshine's proposed \$20 million advanced meter
11 infrastructure project to replace its existing
12 meters; legal expenses that have nothing to do with
13 providing customers safe and reliable service;
14 payment processing fees to be borne by all
15 customers, and the fallout from Sunshine's parent
16 company merging.

17 These are just some of the areas we will
18 litigate to reach the best possible result for
19 customers. It is Sunshine's burden to prove what
20 they are requesting is reasonable and prudent, and
21 our office is going to challenge all of those areas
22 where we feel they have failed to meet that burden.

23 Thank you.

24 CHAIRMAN LA ROSA: Excellent. Thank you.

25 So normally we would, of course, be hearing

1 from our customers in the scenario. Of course,
2 there is not any customers here, but of course this
3 is being recorded, so I just want to make sure that
4 we go through the process officially and, of
5 course, customers are always invited to any one of
6 our service hearings to talk about their experience
7 with the company, the utility that's ultimately
8 regulated by us.

9 So I don't see any other further business
10 before us. Of course, there is no exhibits because
11 there has not been any presented. I am going to go
12 ahead and conclude this meeting.

13 Commissioners, any final comments or thoughts?
14 Yes, Commissioner Passidomo Smith.

15 COMMISSIONER PASSIDOMO SMITH: Is this on?
16 Okay. Thank you. Sorry, Mr. Chair.

17 I just wanted to say if there are customers
18 listening, understanding that it's tough sometimes
19 to get away from work at 10:00 a.m., you know, on a
20 Tuesday, but we do accept written comments, and I
21 encourage those. So please feel free to write in
22 to write into the Commission about, you know, your
23 experience with the utility. We will take those
24 just as equally as if you were here speaking with
25 us in person, so thank you.

1 CHAIRMAN LA ROSA: Thank you.

2 MR. FAROOQI: And one more thing, we do have
3 an in-person hearing at 6:00 p.m. in Altamonte
4 Springs. I will just read out the address. 225
5 Newberryport Avenue, Altamonte Springs, Florida,
6 32701, at 6:00 p.m. if anyone is listening.

7 CHAIRMAN LA ROSA: Excellent. Thank you.
8 Good point. Thank you, Commissioner.

9 Commissioners, any other further thoughts?
10 Yes, so later today, December 17th, we will be
11 in Altamonte Springs at 6:00 p.m.

12 Seeing no further business before us, let's go
13 ahead and call this meeting adjourned.

14 Thank you.

15 (Proceedings concluded.)

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER


STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 6th day of January, 2025.


DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #HH575054
EXPIRES AUGUST 13, 2028