

FLORIDA UTILITY SERVICES 1, LLC
5911 TROUBLE CREEK ROAD
NEW PORT RICHEY, FL 34652
(727) 937-6275

March 5, 2025

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

RE: Docket No. 20220185-WS - Application for limited alternative rate increase in Hardee, Manatee, Marion, Polk, and Pasco Counties, by Charlies Creek Utilities, LLC, Crestridge Utilities, LLC, East Marion Utilities, LLC, Heather Hills Utilities, LLC, Holiday Gardens Utilities, LLC, Lake Yale Utilities, LLC, LLC, McLeod Gardens Utilities, LLC, Orange Land Utilities, LLC, Sunny Shores Utilities, LLC, Sunrise Water, LLC and West Lakeland Wastewater, LLC.

Commission Clerk:

Attached are revisions to Schedule No.2, of the LARI Earnings Review, that was filed on December 2, 2025, in the above-mentioned docket. Commission Document No. 10075-2024.

If you have any questions or concerns, please do not hesitate to contact me.

Respectfully submitted,



Jeff Small
OCBOA Consulting, LLC

On behalf of,
Mike Smallridge
Florida Utility Services 1, LLC
Managing Member

Utility Name: Charlie Creek Utilities, LLC

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: August 31, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$36,703	69.73%	12.16%	8.48%
Preferred Stock				
Long-Term Debt	\$10,219	19.41%	8.06%	1.56%
Short-Term Debt				
Customer Deposits	\$5,715	10.86%	2.00%	0.22%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$52,638	100.00%		10.26%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 12.16% (max) established in Order No. PSC-2017-0144-PAA-WU.

Utility Name: Crestridge Utilities, LLC

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: August 31, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$95,659	81.32%	12.16%	9.89%
Preferred Stock				
Long-Term Debt	\$10,533	8.95%	7.70%	0.69%
Short-Term Debt				
Customer Deposits	\$11,439	9.72%	2.00%	0.19%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$117,631	100.00%		10.77%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 12.16% established in Order No. PSC-2015-0592-PAA-WU.

Utility Name: East Marion Utilities, LLC

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: August 31, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$28,112	62.59%	12.16%	7.61%
Preferred Stock				
Long-Term Debt	\$14,530	32.35%	6.04%	1.95%
Short-Term Debt				
Customer Deposits	\$2,274	5.06%	2.00%	0.10%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$44,915	100.00%		9.67%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 12.16% (max) established in Order No. PSC-2017-0107-PAA-WS.

Utility Name: Heather Hills Utilites, LLC

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: September 30, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$26,362	43.66%	11.55%	5.04%
Preferred Stock				
Long-Term Debt	\$10,246	16.97%	6.20%	1.05%
Short-Term Debt				
Customer Deposits	\$23,771	39.37%	2.00%	0.79%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$60,379	100.00%		6.88%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 11.55% (max) established in Order No. PSC-2020-0119-PAA-WS.

Utility Name: Holiday Gardens Utilities, LLC

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: August 31, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$42,199	74.66%	12.16%	9.08%
Preferred Stock				
Long-Term Debt	\$5,450	9.64%	7.68%	0.74%
Short-Term Debt				
Customer Deposits	\$8,871	15.70%	2.00%	0.31%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$56,520	100.00%		10.13%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 12.16% (max) established in Order No. PSC-2015-0588-PAA-WU.

Utility Name: Lake Yale Utilities, LLC

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: August 31, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$9,865	8.00%	11.55%	0.92%
Preferred Stock				
Long-Term Debt	\$106,897	86.63%	6.48%	5.61%
Short-Term Debt				
Customer Deposits	\$6,631	5.37%	2.00%	0.11%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$123,393	100.00%		6.64%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 11.55% (max) established in Order No. PSC-2021-0106-PAA-WS.

Utility Name: McLeod Gardens Utilities, LLC

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: August 31, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$21,064	88.53%	8.85%	7.83%
Preferred Stock				
Long-Term Debt				
Short-Term Debt				
Customer Deposits	\$2,730	11.47%	2.00%	0.23%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$23,794	100.00%		8.06%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 8.85 (max) established in Order No. PSC-2021-0107-PAA-WU.

Utility Name: Orange Land Utilities, LLC.

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: August 31, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$23,108	97.05%	11.32%	10.99%
Preferred Stock				
Long-Term Debt				
Short-Term Debt				
Customer Deposits	\$702	2.95%	2.00%	0.06%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$23,810	100.00%		11.05%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 11.32% established in Order No. PSC-2018-0439-PAA-WU.

Utility Name: Sunny Shores Utilities, LLC

Schedule No. 2

Schedule of Current Cost of Capital

12-Month Period Ended: September 30, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$28,268	80.23%	11.55%	9.27%
Preferred Stock				
Long-Term Debt				
Short-Term Debt				
Customer Deposits	\$6,964	19.77%	2.00%	0.40%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$35,232	100.00%		9.66%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 11.55% established in Order No. PSC-2021-0320-PAA-WU.

Utility Name: Sunrise Utilities, LLC

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: August 31, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$61,582	91.05%	9.74%	8.87%
Preferred Stock				
Long-Term Debt				
Short-Term Debt				
Customer Deposits	\$6,057	8.95%	2.00%	0.18%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Other (Explain)				
Total	\$67,639	100.00%		9.05%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 9.74% established in Order No. PSC-2016-0126-PAA-WU.

Utility Name: West Lakeland Wastewater, LLC

Schedule No. 2

Schedule of Current Cost of Capital

(Revised 03/05/25)

12-Month Period Ended: August 31, 2024

Class of Capital	Amount	Percent of Capital	Actual Cost Rate	Weighted Cost
(a)	(b)	(c)	(d)	(e) = (c x d)
Common Equity	\$0	0.00%	11.55%	0.00%
Preferred Stock				
Long-Term Debt	\$2,102	78.08%	7.31%	5.71%
Short-Term Debt				
Customer Deposits	\$590	21.92%	2.00%	0.44%
Tax Credits - Zero Cost				
Tax Credits Weighted Cost				
Deferred Income Taxes				
Total	\$2,692	100.00%		6.15%

Notes:

- (1) Consistent with the methodology used in the last rate proceeding.
- (2) Upper limit of the last authorized return on equity or current leverage formula if none has been established.
ROE of 11.55% established in Order No. PSC-2019-0503-PAA-SU.
- (3) The negative equity balance was set to zero. The long-term debt and customer deposit balances were reduced to to their pro-rate share of rate base.