BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| --- | --- |
| In re: Application for staff-assisted rate case in Highlands County, by Country Walk Utilities, Inc. | DOCKET NO. 20240168-WU  ORDER NO. PSC-2025-0359-PAA-WU  ISSUED: September 24, 2025 |

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman

ART GRAHAM

GARY F. CLARK

ANDREW GILES FAY

GABRIELLA PASSIDOMO SMITH

NOTICE OF PROPOSED AGENCY ACTION

ORDER APPROVING RATE INCREASE FOR COUNTRY WALK UTILITIES, INC.

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission (Commission) that the action discussed herein is preliminary in nature—except with regard to (1) the reduction of rates after four years based upon the recovery of rate case expense, (2) the granting of temporary rates in the event of protest, and (3) the requirement for proof of adjustment of books and records—and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.). The reduction of rates after four years, the granting of temporary rates in the event of protest, and the requirement for proof of adjustment of books and records are procedural agency actions and subject to reconsideration and appeal as described in the attached “Notice of Further Proceedings or Judicial Review.”

**Case Background**

Country Walk Utilities, Inc. (Country Walk or Utility) was granted water Certificate No. 579-W in 2014, in Docket No. 20130294-WU.[[1]](#footnote-1) Country Walk is a Class C utility providing water service to approximately 70 residential customers and one general service customer in Highlands County. The Utility’s service territory is located in the Southwest Florida Water Management District.

Country Walk’s last staff-assisted rate case (SARC) was in 2018.[[2]](#footnote-2) Subsequently, the Utility was approved for a limited alternative rate increase in 2022.[[3]](#footnote-3) On December 19, 2024, the Utility filed an application for a SARC.[[4]](#footnote-4) The 12-month period ending on October 31, 2024, was selected as the test year.According to the Utility’s 2024 Annual Report, total gross revenues were $55,712 and its operating expenses were $55,896. In addition, a customer meeting occurred on June 24, 2025, but no customers provided comments.

We have jurisdiction over this matter pursuant to Sections 367.011, 367.081, 367.0812, 367.0814, 367.091, and 367.121, Florida Statutes (F.S.).

**Review and Decision**

1. Quality of Service

Pursuant to Section 367.081(2)(a)(1.), F.S., and Rule 25-30.433(1), F.A.C., in water rate cases, this Commission shall determine the overall quality of service provided by the Utility. This determination is made from an evaluation of the quality of the Utility’s product and the Utility’s attempt to address customer satisfaction. The Rule further states that the most recent chemical analyses for the water system, outstanding citations, violations, and consent orders on file with the Department of Environmental Protection (DEP) and the county health department, and any DEP and county health department official’s testimony concerning quality of service shall be considered. In addition, any customer testimony, comments, or complaints received by us are also reviewed. The operating condition of the water system is addressed below in Section 2.

1. *Quality of the Utility’s Product*

In evaluation of Country Walk’s product quality, we reviewed the Utility’s compliance with the DEP’s primary and secondary drinking water standards. Primary standards protect public health while secondary standards regulate contaminants that may impact the taste, odor, and color of drinking water. The DEP’s Safe Drinking Water Program chemical analysis of samples were taken at the point of entry on March 28, 2024, and November 19, 2024, and all of the contaminants were in compliance with DEP standards.[[5]](#footnote-5) In addition, the results of the most current Disinfection Byproducts chemical analysis, taken on August 19, 2024, were in compliance with DEP standards.[[6]](#footnote-6)

1. *The Utility’s Attempt to Address Customer Satisfaction*

We reviewed our Consumer Activity Tracking System records and discovered that no complaints were recorded during the test year and four years prior for Country Walk. The DEP also did not receive any complaints during this timeframe.[[7]](#footnote-7) However, when the Utility was asked for all complaints it received during the test year and four years prior, the Utility provided 31 complaints. Table 1 shows the number of complaints, by subject and year, received by the Utility during the specified timeframe.

Table 1

Number of Utility Complaints by Subject

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Subject of Complaint** | **2020** | **2021** | **2022** | **2023** | **2024** | **Total** |
| Water Service Interruption | 4 | 0 | 3 | 7 | 2 | 16 |
| Pressure Issue | 3 | 1 | 2 | 3 | 1 | 10 |
| Water Quality | 2 | 0 | 0 | 2 | 1 | 5 |
| **Total** | 9 | 1 | 5 | 12 | 4 | 31 |

Source: Utility responses to staff data requests.

The water service interruption complaints were due to an electrical relay at the high service pump going bad and the compressor at the hydropneumatic storage tank not running in 2022 and 2023,[[8]](#footnote-8) and a main break in 2020. Country Walk made repairs and restored the service. The pressure issue complaints were due to various reasons including clogged service lines, a transfer pump that had tripped, and home filters being clogged. The Utility unclogged the lines and reset the systems.[[9]](#footnote-9) The water quality complaints were about the water smell and color. In response, Country Walk flushed the water at the homes, valves, and the main lines to resolve the issues.

A customer meeting was held on June 24, 2025. No customers spoke at the meeting. In addition, there were no customer comments filed in the docket file.

1. *Conclusion*

Country Walk has been responsive to customer complaints and the quality of the product is in compliance with the DEP standards; therefore, we find that the quality of service is satisfactory.

1. Infrastructure and Operating Conditions

Rule 25-30.225(2), F.A.C., requires each water utility to maintain and operate its plant and facilities by employing qualified operators in accordance with the rules of the DEP. Rule 25-30.433(2), F.A.C., requires consideration of whether the infrastructure and operating conditions of the plant and facilities are in compliance with Rule 25-30.225, F.A.C. In making this determination, we must consider testimony of the DEP and county health department officials, sanitary surveys for water systems, citations, violations, and consent orders issued to the Utility, customer testimony, comments, and complaints, and Utility testimony and responses to the aforementioned items.

1. *Water System Operating Conditions*

Country Walk’s water system has a permitted capacity of 100,600 gallons per day. The system has one well with a pumping capacity of 80 gallons per minute (gpm), one hydropneumatic storage tank with a capacity of 5,000 gallons, and one ground storage tank with a capacity of 5,000 gallons. Groundwater from the well is treated through hypochlorination. We reviewed Country Walk’s most recent Sanitary Survey Report (Report) conducted by the DEP to determine the Utility’s overall water facility compliance. A review of the Report dated December 12, 2024, indicated that Country Walk’s water treatment facility was out of compliance. The DEP found that the chlorine residual was over the maximum amount, there was no valve exercising plan available on site, the bacteriological sampling plan had the wrong number of service connections, the disinfection byproducts sampling plan needed updating with the correct sample requirements, and the ammonia container was not secured. Country Walk corrected all deficiencies and the DEP found the Utility to be in compliance on February 25, 2025.[[10]](#footnote-10)

1. *Conclusion*

We find that the Country Walk water system is currently in compliance with DEP regulations.

1. Used and Useful

Country Walk’s water system has one well with a pumping capacity of 80 gpm, one hydropneumatic storage tank with a capacity of 5,000 gallons, and one ground storage tank with a capacity of 5,000 gallons. Country Walk’s water distribution system is composed of 3,815 feet of 2-inch polyvinyl chloride (PVC) pipe and 1,802 feet of 4-inch PVC pipe. There are no fire hydrants throughout the water distribution system.

1. *Used and Useful Percentages*

Rule 25-30.4325, F.A.C., addresses the method by which the used and useful (U&U) of a water system is determined. In its last SARC, Country Walk’s water treatment plant (WTP), storage, and water distribution system were found to be 100 percent U&U.[[11]](#footnote-11) The Utility has not increased the capacity of its WTP since rates were last established. The Utility’s water distribution system continues to only provide service to existing customers, the service area remains built out, and there continues to be no potential for expansion of the service area. Therefore, consistent with our prior decision, we find that the Utility’s WTP, storage, and water distribution system to be 100 percent U&U.

1. *Excessive Unaccounted for Water*

Rule 25-30.4325, F.A.C., additionally provides factors to be considered in determining whether adjustments to operating expenses are necessary for excessive unaccounted for water (EUW). EUW is defined as “unaccounted for water in excess of 10 percent of the amount produced.” Unaccounted for water is all water produced that is not sold, metered, or accounted for in the records of the Utility.

EUW is calculated by subtracting both the gallons sold to customers and the gallons used for other services, such as flushing, from the total gallons pumped and purchased for the test year, and dividing by the sum of gallons pumped and purchased. The amount in excess of 10 percent, if any, is the EUW percentage.

Based on monthly operating reports, Country Walk produced 2,257,700 gallons of water from November 1, 2023, through October 31, 2024. No water was purchased during the test year. From the audit completed by our staff, the Utility sold 1,977,000 gallons of water to customers. The Utility estimated 351,200 gallons of water usage for line flushing and main breaks. The calculation ([2,257,700 + 0 – 1,977,000 – 351,200] / [2,257,700 + 0]) results in no unaccounted for water. Therefore, we find that there is no EUW based on this analysis and make no adjustments to reduce operating expenses of purchased power and chemicals.

1. *Conclusion*

Country Walk’s WTP, storage, and water distribution system shall be considered 100 percent U&U. No adjustment is needed for EUW.

1. Average Test Year Rate Base

The appropriate components of Country Walk’s rate base include utility plant in service (UPIS), land and land rights, accumulated depreciation, contributions in aid of construction (CIAC), accumulated amortization of CIAC, an acquisition adjustment, accumulated amortization of an acquisition adjustment, and working capital. We selected the test year ended October 31, 2024, for the instant rate case. We find that the Utility’s books and records are in compliance with the National Association of Regulatory Utility Commissioners’ Uniform System of Accounts (NARUC USOA). A summary of each component and our adjustments are discussed below.

1. *Utility Plant in Service*

The Utility recorded UPIS of $257,741. We reduced this amount by $8,019 to reflect an averaging adjustment, and therefore approve a UPIS of $249,723.

1. *Land and Land Rights*

The Utility recorded a test year land and land rights balance of $1,495. We find that no adjustments to this account are needed, and therefore approve a land and land rights balance of $1,495.

1. *Accumulated Depreciation*

The Utility recorded accumulated depreciation of $120,685. The Utility based depreciation on the date its plant items were placed into service. We calculated depreciation expense on a half-year basis for the first year of service, which increased accumulated depreciation by $366. Additionally, we reduced this amount by $4,672 to reflect an averaging adjustment. Our overall adjustments to accumulated depreciation result in a decrease of $4,306. Therefore, we approve an average accumulated depreciation balance of $116,380.

1. *Contributions in Aid of Construction*

The Utility recorded CIAC of $24,200. We find that no adjustments are needed, and therefore approve an average CIAC balance of $24,200.

1. *Accumulated Amortization of CIAC*

The Utility recorded accumulated amortization of CIAC of $24,200. The Utility used a composite rate for all CIAC-related accounts. However, per Rule 25-30.140(9)(b), F.A.C., the specific depreciation rates of the related plant accounts should be used, and reserving the use of a composite rate when the specific associated plant accounts are unknown. As such, we reduced this amount by $1,641. We then increased this amount by $821 to reflect an averaging adjustment. Therefore, we approve an average accumulated amortization of CIAC balance of $23,380.

1. *Acquisition Adjustment*

Country Walk recorded a negative acquisition adjustment of $20,064, which is consistent with the amount approved by this Commission in the Utility’s transfer docket.[[12]](#footnote-12) Therefore, no adjustment is necessary.

1. *Accumulated Amortization of Acquisition Adjustment*

The Utility recorded an accumulated amortization of acquisition adjustment of $20,064. We recalculated this amount based on the method set forth in Order No. PSC-14-0495-PAA-WU and beginning with the date of the issuance of the order approving the transfer.[[13]](#footnote-13) Our calculation results in a decrease of $618. Therefore, we approve an accumulated amortization of acquisition adjustment balance of $19,446.

1. *Working Capital Allowance*

Working capital is defined as the short-term investor-supplied funds that are necessary to meet operating expenses. Consistent with Rule 25-30.433(3), F.A.C., and this Commission’s practice, we used the one-eighth of operation and maintenance (O&M) expense (less rate case expense) formula for calculating the working capital allowance.[[14]](#footnote-14) As such, we removed the annual rate case amortization expense of $671. This resulted in an adjusted O&M expense balance of $39,699. Applying this formula, we approve a working capital allowance of $4,962.

1. *Conclusion and Rate Base Summary*

Based on the foregoing, we find that the appropriate average test year rate base is $138,362. Rate base is shown on Schedule No. 1-A. The related adjustments are shown on Schedule No. 1-B.

1. Rate of Return

The Utility’s capital structure consists of common equity and customer deposits. The Utility’s capital structure has been reconciled with our approved rate base. The appropriate ROE is 8.51 percent based on the Commission-approved leverage formula currently in effect.[[15]](#footnote-15) Therefore, we approve an ROE of 8.51 percent with a range of 7.51 percent to 9.51 percent, and an overall rate of return of 8.43 percent. The ROE and overall rate of return are shown on Schedule No. 2.

1. Test Year Revenues

Country Walk recorded test year revenues of $60,989 for water. The water revenues included $60,013 of service revenues and $977 of miscellaneous revenues. To determine the appropriate service revenues, we applied the number of billing determinants to the Utility’s existing rates. As a result, we determined that service revenues for water should be $62,985, which is an increase of $2,972. Furthermore, we find that no adjustment to miscellaneous revenues is needed. Based on the above, we approve test year operating revenues of $63,962 for Country Walk’s water system.

1. Operating Expenses

The Utility recorded operating expense of $53,987. The test year operating expenses have been reviewed by us, including invoices and other supporting documentation. We have made several adjustments to the Utility’s operating expense as described below.

1. *Pro Forma Operation and Maintenance*

Country Walk requested recovery of costs to submit a Lead and Copper Rule Revision (LCRR) inventory to the DEP. On January 15, 2021, the United States Environmental Protection Agency (EPA) issued the LCRR that amended the Lead and Copper Rule (40 C.F.R. Sections 141.80–141.93). This amendment requires all water systems to create an inventory of all its service lines. The LCRR also required the inventory to be sent to the DEP no later than October 16, 2024. Country Walk contracted with U.S. Water Service Corporation (U.S. Water) to perform this inventory. This project was outside of the normal operations the Utility already contracted for with U.S. Water. The project was completed and the LCRR inventory analysis was submitted on October 15, 2024. The invoice for this project is $4,257. Country Walk stated this amount was not included in the O&M expenses filed in this SARC.[[16]](#footnote-16) Because this project was required by the EPA, we find that Country Walk shall be allowed to recover the project’s cost. To that end, Country Walk submitted a paid invoice and the costs appear to be reasonable. Our treatment of the associated amortization expense is discussed below in Section 7(B)(vii).

1. *Operation and Maintenance Expenses*
2. Salaries and Wages – Officers and Directors (603)

The Utility recorded salaries and wages – officers and directors expense of $2,750. We increased this account by $250 to reflect an auditing adjustment which was to record an expense that was not entered into the general ledger. Therefore, we approve a salaries and wages – officers and directors expense of $3,000.

1. Purchased Power (615)

The Utility recorded purchased power expense of $1,187. We find that no adjustments to this amount are needed and therefore approve a purchased power expense of $1,187.

1. Chemicals (618)

The Utility recorded chemicals expense of $2,329. We find that no adjustments to this amount are needed and therefore approve a chemicals expense of $2,329.

1. Contractual Services – Accounting (632)

The Utility recorded contractual services – accounting expense of $525. We find that no adjustments to this amount are needed and therefore approve a contractual services – accounting expense of $525.

1. Contractual Services – Legal (633)

The Utility recorded contractual services – legal expense of $300. We find that no adjustments to this amount are needed and therefore approve a contractual services – legal expense of $300.

1. Contractual Services – Testing (635)

The Utility recorded contractual services – testing expense of $905. We find that no adjustments to this amount are needed and therefore approve a contractual services – testing expense of $905.

1. Contractual Services – Other (636)

The Utility recorded contractual services – other expense of $28,097. Furthermore, during the pendency of this case, the Utility requested pro forma contractual service O&M of $4,257 for the LCRR inventory as discussed above in Section 7(A). Pursuant to Rule 25-30.433(9), F.A.C., we amortized this amount over five years bringing the test year expense to $851. Therefore, we approve a contractual service – other expense of $28,948.

1. Insurance Expense – General Liability (657)

The Utility recorded insurance expense – general liability of $1,630. We increased this amount by $145 to reflect an auditing adjustment based on the current insurance policy received. Therefore, we approve a general liability insurance expense of $1,775.

1. Regulatory Commission Expense (665)

The Utility recorded an annual rate case expense of $208. However, the amount that was authorized in Order No. PSC-2022-0141-PAA-WU was $362.[[17]](#footnote-17) Thus, we have made a test year adjustment increase of $154.

Country Walk is required by Rule 25-22.0407, F.A.C., to mail notices of the rate case overview, interim rates, final rates, and four-year rate reduction. We have calculated noticing costs to be $237. Additionally, the Utility paid a SARC application filing fee of $1,000. Furthermore, the Utility did not attend our agenda conference where we proposed to take agency action resolving this SARC and thus we did not include a travel and lodging expense.

We therefore approve a total rate case expense, consisting of noticing costs and filing fee of $1,237, which amortized over four years is $309. Therefore, we approve an increase of $463 and a total annual rate case expense of $671.

1. Bad Debt Expense (670)

Country Walk recorded a bad debt expense of $226 for the test year. It is this Commission’s practice to calculate bad debt expense using a three-year average when the information is available.[[18]](#footnote-18) In its three most recent Annual Reports (2022, 2023, and 2024), the Utility recorded bad debt expenses of $1,031, $97, and $311, respectively. We calculated the average bad debt expense for these previous three years to be $480, which represents an increase of $254. Therefore, we approve bad debt expense of $480.

1. Miscellaneous Expenses (675)

The Utility recorded miscellaneous expense of $250. We find that no adjustments to this amount are needed and therefore approve a miscellaneous expense of $250.

1. Operation and Maintenance Conclusion and Expense Summary

The Utility recorded test year O&M expense of $38,407. Based on the above adjustments, we find that O&M expense shall be increased by $1,963. This results in a total O&M expense of $40,370. Our approved adjustments to O&M are shown on Schedule No. 3-C.

1. *Depreciation Expense*

The Utility recorded depreciation expense of $11,421. We increased this amount by $395 to reflect an auditing adjustment. Therefore, we approve depreciation expense of $11,816.

1. *Amortization of CIAC*

The Utility recorded no amortization of CIAC. However, we increased this figure by $288 to reflect an auditing adjustment, and therefore approve an amortization of CIAC of $288.

1. *Amortization of Acquisition Expense*

The Utility recorded no amortization of acquisition expense. We made an amortization of acquisition expense adjustment of $904 based on the method set forth in Order No. PSC-14-0495-PAA-WU. Therefore, we approve an amortization of acquisition expense of $904.

1. *Taxes Other than Income*

The Utility recorded taxes other than income (TOTI) of $4,159. We increased TOTI by $164 to reflect an auditing adjustment to property taxes. Additionally, we have increased TOTI by $134 to reflect the appropriate regulatory assessment fees (RAFs) based on the appropriate test year revenues.

As discussed in Section 9, we find that revenues shall be increased by $3,303 in order to reflect the change in revenue required to cover expenses and allow the Utility an opportunity to earn an 8.43 percent return on rate base. As a result, TOTI shall be increased by $149 to reflect a RAF rate of 4.5 percent of the change in revenues. Our adjustments to TOTI resulted in an increase of $447. Therefore, we approve TOTI of $4,605.

1. *Conclusion and Total Operating Expenses Summary*

The Utility recorded operating expenses of $53,987. The cumulative impact of our adjustments to the Utility’s recommended operating expense results in a total operating expense of $55,599, an increase of $1,613. Operating expenses are shown on Schedule No. 3-A, and the related adjustments are shown on Schedule No. 3-B.

1. Operating Ratio Methodology

Rule 25-30.4575(2), F.A.C., indicates that for rate cases processed under Rule 25-30.455, F.A.C., this Commission will use the operating ratio methodology to establish the Utility’s revenue requirement when the Utility’s rate base is not greater than 125 percent of O&M expenses, less regulatory commission expense, and the use of the operating ratio methodology does not change the Utility’s eligibility for a SARC.

With respect to Country Walk, we approved a rate base of $138,362. After removal of rate case expense, we have calculated an adjusted O&M expense of $39,699. Based on our approved amounts, the Utility’s rate base is 348.53 percent of its adjusted O&M expense. Therefore, the Utility does not qualify for application of the operating ratio methodology.

1. Revenue Requirement

Country Walk shall be granted an annual increase of $3,303 (5.16 percent). This will allow the Utility the opportunity to recover expenses and earn 8.43 percent return on its rate base. Our calculations for revenue requirement are shown on Table 2 below.

**Table 2**

**Revenue Requirement**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Water Rate Base | $138,362 | | | | |
| Rate of Return | × 8.43% | | | | |
| Return on Rate Base | | $11,666 | | | |
| Water O&M Expense | $40,370 | | | | |
| Depreciation Expense | 11,816 | | | | |
| Amortization Expense | | | | | (1,192) |
| Taxes Other Than Income | | | 4,605 | | |
| Revenue Requirement | | $67,265 | | | |
| Less Test Year Revenues | | | | $63,962 | |
| Annual Increase | $3,303 | | | | |
| Percent Increase | 5.16% | | | | |

1. Rate Structure

Country Walk provides water service to 70 residential customers and one general service customer. A review of the billing data indicates approximately 13 percent of the residential customer bills during the test year had zero gallons. However, the billing data at the 1,000 gallon level indicates 38 percent of the residential customer bills, which is an indication of a seasonal customer base. The average residential water demand was 2,340 gallons per month during the test period. The average water demand, excluding zero gallons bills, was 2,689 gallons per month. The Utility’s current rate structure consists of a monthly base facility charge (BFC) and a two-tier inclining block rate structure. The rate blocks are: (1) 0–3,000 gallons and (2) all usage in excess of a 3,000 gallons per month discretionary threshold. The general service rate structure consists of a BFC and uniform gallonage charge.

We performed an analysis of the Utility’s billing in order to evaluate the appropriate rate structure for the residential water customers. The goal of the evaluation was to select the rate design parameters that: (1) produce the recommended revenue requirement; (2) equitably distribute cost recovery among the Utility’s customers; (3) establish the appropriate discretionary usage threshold for restricting repression; and (4) implement, where appropriate, water conserving rate structures consistent with this Commission’s practice.

Country Walk requested in its application, due to the highly seasonality of its customer base, a rate design where 60 percent of the revenue requirement is recovered through the BFC. The Utility stated that in its last SARC, this Commission approved a rate design where 45 percent of the revenue requirement is recovered through the BFC which makes it difficult to cover O&M costs through the period where there is low occupancy.

We agree and find that due to the Utility’s seasonal customer base coupled with low average consumption, that it is reasonable to allow 60 percent of the revenue requirement to be recovered through the BFC in an effort to maintain sufficient revenue stability. The average number of people per household is two; therefore, we find that based on the number of people per household, 50 gallons per day, per person, and the number of days per month, the discretionary threshold should remain at 3,000 gallons per month.[[19]](#footnote-19) Therefore, the Utility’s current rate structure shall remain unchanged. According to the review of the billing analysis, the discretionary usage represents approximately 14 percent of the bills, which accounts for approximately 23 percent of the water demand. This is an indication that there is a modest amount of discretionary usage above 3,000 gallons. However, due to the low revenue requirement increase, there is not enough revenues to send any additional pricing signals.

For this case, we approve a continuation of the Utility’s current rate structure, which includes separate gallonage charges for non-discretionary and discretionary usage for water customers. The rate blocks are: (1) 0–3,000 gallons and (2) all usage in excess of 3,000 gallons per month. General service customers shall continue to be billed a BFC and a gallonage charge. Our approved rate structure and monthly water rates are shown on Schedule No. 4.

The Utility shall file revised tariff sheets and a proposed customer notice to reflect our approved rates. The approved rates shall be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates shall not be implemented until our staff has approved the proposed customer notice and the notice has been received by the customers. Furthermore, the Utility shall provide proof of the date notice was given by affidavit within 10 days of the date of the notice.

1. Customer Deposits

Rule 25-30.311, F.A.C., provides the criteria for collecting, administering, and refunding customer deposits. Customer deposits are designed to minimize the exposure of bad debt expense for the utility and, ultimately, the general body of ratepayers. An initial customer deposit ensures that the cost of providing service is recovered from the cost causer. Historically, we have set initial customer deposits equal to two times the average estimated bill.[[20]](#footnote-20) Currently, the Utility has an initial customer deposit of $120 for the 5/8 inch x 3/4 inch meter size. However, this amount does not cover two months’ average bills based on our approved rates. Based on the Utility’s average monthly residential consumption, we find that the appropriate initial customer deposit shall be $153 to reflect an average residential customer bill for two months. The monthly average residential bill is $76.39.

Therefore, we approve an initial customer deposit of $153 for the 5/8 inch x 3/4 inch meter size. The initial customer deposit for all other residential meter sizes and all general service meter sizes shall be two times the average estimated bill for water. Our approved initial customer deposits shall 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 shall be required to collect the approved deposits until authorized to change them by us in a subsequent proceeding.

1. Miscellaneous Service Charges

Currently, Country Walk has an initial connection charge and a normal reconnection charge. The Utility did not request to revise its existing miscellaneous service charges. However, Section 367.091, F.S., authorizes this Commission to establish, increase, or change a rate or charge other than monthly rates or service availability charges. Rule 25-30.460, F.A.C., does not allow for initial connection and normal reconnection charges. We find that the Utility’s initial connection and normal reconnection charges are thus obsolete and inconsistent with the Rule. The definitions for initial connection charges and normal reconnection charges were subsumed into the definition of the “premises visit charge.” Therefore, the premises visit charge should be $60.62 for normal business hours and $68.68 for after-hours calls.

Based on the above, the initial connection and normal reconnection charges shall be removed, and the Utility’s definition for the premises visit charge shall be updated to comply with Rule 25-30.460(2)(a), F.A.C. The Utility shall be required to file a proposed customer notice to reflect our approved charges. The approved miscellaneous service charge shall be effective on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(2), F.A.C. In addition, the approved charge shall not be implemented until our staff has approved the proposed customer notice and the notice has been received by customers. The Utility shall provide proof of the date notice was given by affidavit within 10 days of the date of the notice.

1. Four-Year Rate Reduction

Section 367.081(8), F.S., requires that the rates be reduced immediately following the expiration of the four-year period by the amount of the rate case expense previously included in rates. The reduction will reflect the removal of revenue associated with the amortization of rate case expense and the gross-up for RAFs. This results in a reduction of $324.

We find that the rates should be reduced as shown on Schedule No. 4, to remove rate case expense grossed-up for RAFs and amortized over a four-year period. Pursuant to Section 367.081(8), F.S., the decrease in rates shall become effective immediately following the expiration of the rate case expense recovery period. Country Walk shall be required to file revised tariffs and a proposed customer notice setting forth the lower rates and rationale no later than one month prior to the effective date of the new rates. If the Utility files revised tariffs reflecting this reduction in conjunction with a price index, or pass-through rate adjustment, separate data shall be filed for the price index and/or pass-through increase and the reduction in the rates due to the amortized rate case expense.

1. Temporary Rates

This Order proposes an increase in rates. A timely protest might delay a rate increase resulting in an unrecoverable loss of revenue to the Utility. Therefore, pursuant to Section 367.0814(7), F.S., in the event of a protest filed by a party other than the Utility, our proposed rates herein shall go into effect on a temporary basis. Country Walk shall file revised tariff sheets and a proposed customer notice to reflect our approved rates. These temporary rates shall be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the temporary rates shall not be implemented until our staff has approved the proposed notice, and the notice has been received by the customers. The temporary rates collected by the Utility shall be subject to the refund provisions discussed below.

Country Walk shall be authorized to collect the temporary rates upon our staff’s approval of an appropriate security for the potential refund and the proposed customer notice. Security shall be in the form of a bond or letter of credit in the amount of $2,265. Alternatively, the Utility may establish an escrow agreement with an independent financial institution.

If the Utility chooses a bond for securing the potential refund, the bond shall contain wording to the effect that it will be terminated only under the following conditions:

1. The Commission approves the rate increase; or
2. If the Commission denies the increase, the Utility shall refund the amount collected that is attributable to the increase.

If the Utility chooses a letter of credit for securing the potential refund, the letter of credit shall contain the following conditions:

1. The letter of credit is irrevocable for the period it is in effect.
2. The letter of credit will be in effect until a final Commission order is rendered, either approving or denying the rate increase.

If security is provided through an escrow agreement, the following conditions shall be part of the agreement:

1. The Commission Clerk, or his or her designee, must be a signatory to the escrow agreement.
2. No monies in the escrow account may be withdrawn by the Utility without the prior written authorization of the Commission Clerk, or his or her designee.
3. The escrow account shall be an interest bearing account.
4. If a refund to the customers is required, all interest earned by the escrow account shall be distributed to the customers.
5. If a refund to the customers is not required, the interest earned by the escrow account shall revert to the Utility.
6. All information on the escrow account shall be available from the holder of the escrow account to a Commission representative at all times.
7. The amount of revenue subject to refund shall be deposited in the escrow account within seven days of receipt.
8. This escrow account is established by the direction of the Florida Public Service Commission for the purpose(s) set forth in its order requiring such account. Pursuant to *Cosentino v. Elson,* 263 So. 2d 253 (Fla. 3d DCA 1972), escrow accounts are not subject to garnishments.
9. The account must specify by whom and on whose behalf such monies were paid.

In no instance shall the maintenance and administrative costs associated with the refund be borne by the customers. These costs are the responsibility of, and shall be borne by, the Utility. Irrespective of the form of security chosen by the Utility, an account of all monies received as a result of the rate increase shall be maintained by the Utility. If a refund is ultimately required, it shall be paid with interest calculated pursuant to Rule 25-30.360(4), F.A.C.

The Utility shall maintain a record of the amount of the bond, and the amount of revenues that are subject to refund. In addition, after the increased rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., the Utility shall file reports with the Commission Clerk’s office no later than the 20th of every month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed shall also indicate the status of the security being used to guarantee repayment of any potential refund.

1. Adjustment to Books

Country Walk shall be required to notify this Commission, in writing, that it has adjusted its books in accordance with our decision. The Utility shall submit a letter within 90 days of our final order in this docket, confirming that the adjustments to all applicable NARUC USOA primary accounts have been made to the Utility’s books and records. In the event the Utility needs additional time to complete the adjustments, a notice providing good cause shall be filed not less than seven days prior to the deadline requesting an extension. Upon providing a notice of good cause, our staff shall have administrative authority to grant an extension of up to 60 days.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Country Walk Utilities, Inc. has been responsive to customer complaints and that the quality of the product is in compliance with Department of Environmental Protection standards; therefore, the quality of service is satisfactory. It is further

ORDERED that the infrastructure and operating conditions of Country Walk Utilities, Inc.’s water system is in compliance with Department of Environmental Protection regulations. It is further

ORDERED that Country Walk Utilities, Inc.’s water treatment plant, storage, and water distribution system shall be considered 100 percent used and useful. There is no excessive unaccounted for water. It is further

ORDERED that the appropriate average test year rate base for Country Walk Utilities, Inc. is $138,362. It is further

ORDERED that the appropriate return on equity for Country Walk Utilities, Inc. is 8.51 percent with a range of 7.51 percent to 9.51 percent. The appropriate overall rate of return is 8.43 percent. It is further

ORDERED that the appropriate test year operating revenues for Country Walk Utilities, Inc.’s water system are $63,962. It is further

ORDERED that the appropriate amount of operating expense for Country Walk Utilities, Inc. is $55,599. It is further

ORDERED that Country Walk Utilities, Inc. does not meet the requirement for application of the operating ratio methodology for calculating the revenue requirement. It is further

ORDERED that the appropriate revenue requirement for Country Walk Utilities, Inc. is $67,265, resulting in an annual increase of $3,303. It is further

ORDERED that the rate structure and monthly water rates shown on Schedule No. 4 are approved. Country Walk Utilities, Inc. shall file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The approved rates shall be effective for service rendered on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved rates shall not be implemented until Commission staff has approved the proposed customer notice and the notice has been received by the customers. Country Walk Utilities, Inc. shall provide proof of the date notice was given by affidavit within 10 days of the date of notice. It is further

ORDERED that the appropriate initial customer deposit shall be $153 for the 5/8 inch x 3/4 inch meter size. The initial customer deposit for all other residential meter sizes and all general service meter sizes shall be two times the average estimated bill for water. The approved initial customer deposits shall 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. Country Walk Utilities, Inc. shall collect the approved deposits until authorized to change them by us in a subsequent proceeding. It is further

ORDERED that the initial connection and normal reconnection charges shall be removed, and the definition for the premises visit charge shall be updated to comply with Rule 25-30.460, F.A.C. The approved miscellaneous service charge shall be effective on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(2), F.A.C. In addition, the approved charge shall not be implemented until Commission staff has approved the proposed customer notice and the notice has been received by customers. Country Walk Utilities, Inc. shall provide proof of the date notice was given by affidavit within 10 days of the date of notice. It is further

ORDERED that the rates shall be reduced as shown on Schedule No. 4, to remove rate case expense grossed-up for regulatory assessment fees and amortized over a four-year period. Pursuant to Section 367.081(8), F.S., the decrease in rates shall become effective immediately following the expiration of the rate case expense recovery period. Country Walk Utilities, Inc. shall file revised tariffs and a proposed customer notice setting forth the lower rates and rationale no later than one month prior to the effective date of the new rates. If Country Walk Utilities, Inc. files revised tariffs reflecting this reduction in conjunction with a price index, or pass-through rate adjustment, separate data shall be filed for the price index and/or pass-through increase and the reduction in the rates due to the amortized rate case expense. It is further

ORDERED that in the event of a protest filed by a party other than Country Walk Utilities, Inc., the proposed rates shall be approved on a temporary basis, subject to refund with interest, pursuant to Section 367.0814(7), F.S. Country Walk Utilities, Inc. shall file revised tariff sheets and a proposed customer notice to reflect the Commission-approved rates. The temporary rates shall be effective for service rendered on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. It is further

ORDERED that the temporary rates shall not be implemented until Commission staff has approved the proposed notice and the notice has been received by the customers. Further, prior to implementation of any temporary rates, Country Walk Utilities, Inc. shall provide appropriate financial security as set forth herein. The approved temporary rates collected by Country Walk Utilities, Inc. shall be subject to refund provisions. It is further

ORDERED that after the increased temporary rates are in effect, pursuant to Rule 25-30.360(6), F.A.C., Country Walk Utilities, Inc. shall file reports with the Commission’s Office of Commission Clerk no later than the 20th of each month indicating the monthly and total amount of money subject to refund at the end of the preceding month. The report filed shall also indicate the status of the security being used to guarantee repayment of any potential refund. It is further

ORDERED that Country Walk Utilities, Inc. shall notify the Commission, in writing, that it has adjusted its books in accordance with our decision. Country Walk Utilities, Inc. shall submit a letter within 90 days of this Commission’s final order in this docket, confirming that the adjustments to all applicable National Association of Regulatory Utility Commissioners’ Uniform System of Accounts primary accounts were made to Country Walk Utilities, Inc.’s books and records. In the event that Country Walk Utilities, Inc. needs additional time to complete the adjustments, a notice providing good cause shall be filed not less than seven days prior to the deadline requesting an extension. Upon providing a notice of good cause, Commission staff shall have administrative authority to grant an extension of up to 60 days. It is further

ORDERED that if no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of this Proposed Agency Action Order, a consummating order shall be issued. The docket shall remain open for Commission staff’s verification that the revised tariff sheets and customer notice have been filed by Country Walk Utilities, Inc. and approved by Commission staff. Once these actions are complete, this docket shall be closed administratively.

By ORDER of the Florida Public Service Commission this 24th day of September, 2025.

|  |  |
| --- | --- |
|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMAN  Commission Clerk |

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413‑6770

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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

CMM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission (Commission) is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this Order, our actions are preliminary in nature, except for (1) the reduction of rates after four years based upon the recovery of rate case expense, (2) the granting of temporary rates in the event of protest, and (3) the requirement for proof of adjustment of books and records. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 15, 2025. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Any party adversely affected by the Commission's procedural action in this matter may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Office of Commission Clerk and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

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|  | **COUNTRY WALK UTILITIES, INC.** | **SCHEDULE NO. 1-A** | | |  |
|  | **TEST YEAR ENDED 10/31/2024** | **DOCKET NO. 20240168-WU** | | |  |
|  | **SCHEDULE OF WATER RATE BASE** |  |  |  |  |
|  |  | **BALANCE** |  | **BALANCE** |  |
|  |  | **PER** | **STAFF** | **PER** |  |
|  | **DESCRIPTION** | **UTILITY** | **ADJ.** | **STAFF** |  |
|  |  |  |  |  |  |
| 1. | UTILITY PLANT IN SERVICE | $257,741 | ($8,019) | $249,723 |  |
|  |  |  |  |  |  |
| 2. | LAND & LAND RIGHTS | 1,495 | 0 | 1,495 |  |
|  |  |  |  |  |  |
| 3. | ACCUMULATED DEPRECIATION | (120,685) | 4,306 | (116,380) |  |
|  |  |  |  |  |  |
| 4. | CIAC | (24,200) | 0 | (24,200) |  |
|  |  |  |  |  |  |
| 5. | ACCUM. AMORT. CIAC | 24,200 | (821) | 23,380 |  |
| 6. | ACQUISITION ADJUSTMENT | (20,064) | 0 | (20,064) |  |
| 7. | ACCUM. AMORT. ACQ. ADJ. | 20,064 | (618) | 19,446 |  |
| 8. | WORKING CAPITAL ALLOWANCE | $4,869 | $93 | $4,962 |  |
|  |  |  |  |  |  |
|  | WATER RATE BASE | $143,420 | ($5,058) | $138,362 |  |
|  |  |  |  |  |  |

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|  | **COUNTRY WALK UTILITIES, INC.** | **SCHEDULE NO. 1-B** | |  |
|  | **TEST YEAR ENDED 10/31/2024** | **DOCKET NO. 20240168-WU** | |  |
|  | **ADJUSTMENTS TO RATE BASE** |  |  |  |
|  |  |  | **WATER** |  |
|  | **UTILITY PLANT IN SERVICE** |  |  |  |
| 1. | To reflect averaging adjustments. |  | ($8,019) |  |
|  |  |  |  |  |
|  | **ACCUM. DEPRECIATION** |  |  |  |
| 1. | To reflect auditing adjustments. |  | ($366) |  |
| 2. | To reflect averaging adjustments. |  | 4,672 |  |
|  | Total |  | $4,306 |  |
| 1.  2.  1. | **ACCUM. AMORT. CIAC**  To reflect auditing adjustments.  To reflect averaging adjustments.  Total  **ACCUM. AMORT. ACQ. ADJ.**  To reflect an auditing adjustment. |  | ($1,641)  821  ($821)  ($618) |  |
|  | **WORKING CAPITAL ALLOWANCE** |  |  |  |
|  | To reflect 1/8 of test year O&M expenses (less RCE). |  | $93 |  |
|  |  |  |  |  |

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|  | **COUNTRY WALK UTILITIES, INC.** | | | **SCHEDULE NO. 2** | | | |  |
|  | **TEST YEAR ENDED 10/31/2024** | | | **DOCKET NO. 20240168-WU** | | | |  |
|  | **SCHEDULE OF CAPITAL STRUCTURE** | | |  |  |  |  |  |
|  |  |  | **PRO** | **BALANCE** | **PERCENT** |  |  |  |
|  | **CAPITAL** | **PER** | **RATA** | **PER** | **OF** |  | **WEIGHTED** |  |
|  | **COMPONENT** | **UTILITY** | **ADJ.** | **STAFF** | **TOTAL** | **COST** | **COST** |  |
|  |  |  |  |  |  |  |  |  |
| 1. | COMMON EQUITY | $194,713 | (57,953) | 136,760 | 98.84% | 8.51% | 8.41% |  |
| 2. | CUSTOMER DEPOSITS | 2,280 | (679) | 1,601 | 1.16% | 2.00% | 0.02% |  |
|  | TOTAL CAPITAL | $196,993 | ($58,631) | $138,362 | 100.00% |  | 8.43% |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  | **RANGE OF REASONABLENESS** | | | **LOW** | **HIGH** |  |
|  |  |  | RETURN ON EQUITY | | | 7.51% | 9.51% |  |
|  |  |  | OVERALL RATE OF RETURN | | | 7.44% | 9.42% |  |
|  |  |  |  | | |  |  |  |

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|  | **COUNTRY WALK UTILITIES, INC.** | | | **SCHEDULE NO. 3-A** | | |  |
|  | **TEST YEAR ENDED 10/31/2024** | | | **DOCKET NO. 20240168-WU** | | |  |
|  | **SCHEDULE OF WATER OPERATING INCOME** | | |  |  |  |  |
|  |  | **TEST** | **STAFF** | **STAFF** | **ADJ.** |  |  |
|  |  | **YEAR PER** | **ADJUST-** | **ADJUSTED** | **FOR** | **REVENUE** |  |
|  |  | **UTILITY** | **MENTS** | **TEST YEAR** | **INCREASE** | **REQUIREMENT** |  |
|  |  |  |  |  |  |  |  |
| 1. | **TOTAL OPERATING REVENUES** | $60,990 | $2,972 | $63,962 | $3,303 | $67,265 |  |
|  |  |  |  |  | 5.16% |  |  |
|  | **OPERATING EXPENSES:** |  |  |  |  |  |  |
| 2. | OPERATION & MAINTENANCE | $38,407 | $1,963 | $40,370 |  | $40,370 |  |
| 3.  4. | DEPRECIATION (NET)  AMORTIZATION (NET) | 11,421  0 | 395  (1,192) | 11,816  (1,192) |  | 11,816  (1,192) |  |
| 5. | TAXES OTHER THAN INCOME | 4,159 | 298 | 4,456 | 149 | 4,605 |  |
|  | **TOTAL OPERATING EXPENSES** | $53,987 | $1,464 | $55,450 | $149 | $55,599 |  |
|  |  |  |  |  |  |  |  |
| 6. | **OPERATING INCOME/(LOSS)** | $7,003 |  | $8,512 |  | $11,666 |  |
|  |  |  |  |  |  |  |  |
| 7. | **WATER RATE BASE** | $143,420 |  | (5,058) |  | $138,362 |  |
|  |  |  |  |  |  |  |  |
| 8. | **RATE OF RETURN** |  |  |  |  | 8.43% |  |
|  |  |  |  |  |  |  |  |

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| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **COUNTRY WALK UTILITIES, INC.** | **SCHEDULE NO. 3-B** | | | | |  |
|  | **TEST YEAR ENDED 10/31/2024** | **DOCKET NO. 20240168-WU** | | | | |  |
|  | **ADJUSTMENTS TO OPERATING INCOME** | | |  | |  |  |
|  |  | |  | | | **WATER** |  |
|  | **OPERATING REVENUES** | |  | | |  |  |
| 1. | To reflect an averaging adjustment. | |  | | | $2,972 |  |
|  |  | |  | | |  |  |
|  | **OPERATION & MAINTENANCE EXPENSE** | |  | | |  |  |
| 1. | Salaries and Wages – Officer and Directors (603) | |  | | |  |  |
|  | To reflect an auditing adjustment. | |  | | | $250 |  |
|  |  | |  | | |  |  |
| 2. | Contractual Services – Other (636) | |  | | |  |  |
|  | To reflect LCRR pro forma project amortized over five years. | |  | | | $851 |  |
|  |  | |  | | |  |  |
| 3. | Insurance Expense – General Liability (657) | |  | | |  |  |
|  | To reflect an auditing adjustment. | |  | | | $145 |  |
|  |  | |  | | |  |  |
| 4. | Rate Case Expense (665) | |  | | |  |  |
|  | To reflect an auditing adjustment. | |  | | | $154 |  |
|  | To reflect one-quarter of rate case expense. | |  | | | 309 |  |
|  | Subtotal | |  | | | $463 |  |
|  |  | |  | | |  |  |
| 5. | Bad Debt Expense (670) | |  | | |  |  |
|  | To reflect three-year average of Bad Debt expense. | |  | | | $254 |  |
|  |  | |  | | |  |  |
|  | **TOTAL OPERATION & MAINTENANCE ADJUSTMENTS** | | | |  | $1,963 |  |
|  |  | | | |  |  |  |
|  | **DEPRECIATION EXPENSE** | | |  | |  |  |
|  | To reflect an auditing adjustment. | | |  | | $395 |  |
|  |  | | |  | |  |  |
|  | **AMORTIZATION EXPENSE (NET)** | | |  | |  |  |
|  | To reflect amortization of CIAC. | | |  | | ($288) |  |
|  | To reflect amortization of the acquisition adjustment. | | |  | | (904) |  |
|  | Subtotal | | |  | | ($1,192) |  |
|  |  | | |  | |  |  |
|  | **TAXES OTHER THAN INCOME** | | |  | |  |  |
|  | To reflect an auditing adjustment to property tax. | | |  | | $164 |  |
|  | To reflect appropriate test year RAFs. | | |  | | 134 |  |
|  | To reflect appropriate revenue requirement increase RAFs. | | |  | | 149 |  |
|  | Subtotal | | |  | | $447 |  |
|  |  | | |  | |  |  |
|  | **TOTAL OPERATING EXPENSE ADJUSTMENTS** | | |  | | $1,613 |  |
|  |  | | |  | |  |  |

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| **COUNTRY WALK UTILITIES, INC.** | | **SCHEDULE NO. 3-C** | | |
| **TEST YEAR ENDED 10/31/2024** | | **DOCKET NO. 20240168-WU** | | |
| **ANALYSIS OF WATER O&M EXPENSES** | |  | | |
|  |  | **TOTAL** | **STAFF** | **TOTAL** |
|  |  | **PER** | **ADJUST-** | **PER** |
| **ACCT.#** | **DESCRIPTION** | **UTILITY** | **MENT** | **STAFF** |
|  |  |  |  |  |
| 603 | Salaries and Wages – Officers and Directors | $2,750 | $250 | $3,000 |
| 615 | Purchased Power | 1,187 | 0 | 1,187 |
| 618 | Chemicals | 2,329 | 0 | 2,329 |
| 632 | Contractual Services – Accounting | 525 | 0 | 525 |
| 633  635 | Contractual Services – Legal  Contractual Services – Testing | 300  905 | 0  0 | 300  905 |
| 636 | Contractual Services – Other | 28,097 | 851 | 28,948 |
| 657 | Insurance Expense – General Liability | 1,630 | 145 | 1,775 |
| 665 | Regulatory Commission Expense | 208 | 463 | 671 |
| 670 | Bad Debt Expense | 226 | 254 | 480 |
| 675 | Miscellaneous Expenses | $250 | $0 | $250 |
|  | Total O&M Expense | $38,407 | $1,963 | $40,370 |
|  | Working Capital is 1/8 of O&M less RCE |  |  | $4,962 |

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| **COUNTRY WALK UTILITIES, INC.** |  |  | **SCHEDULE NO. 4** | |
| **TEST YEAR ENDED OCTOBER 31, 2024** |  | **DOCKET NO. 20240168-WS** | | |
| **MONTHLY WATER RATES** |  |  | |  |
|  | **UTILITY** | **STAFF** | | **4-YEAR** |
|  | **CURRENT** | **RECOMMENDED** | | **RATE** |
|  | **RATES** | **RATES** | | **REDUCTION** |
|  |  |  | |  |
| **Residential and General Service** |  |  | |  |
| Base Facility Charge by Meter Size |  |  | |  |
| 5/8"X 3/4" | $33.05 | $46.74 | | $0.22 |
| 3/4" | $49.58 | $70.11 | | $0.33 |
| 1" | $82.63 | $116.85 | | $0.55 |
| 1-1/2" | $165.25 | $233.70 | | $1.10 |
| 2" | $264.40 | $373.92 | | $1.76 |
| 3" | $528.80 | $747.84 | | $3.51 |
| 4" | $826.25 | $1,168.50 | | $5.49 |
| 6" | $1,652.50 | $2,337.00 | | $10.98 |
|  |  |  | |  |
| Charge per 1,000 gallons - Residential |  |  | |  |
| 0 - 3,000 gallons | $14.81 | $12.67 | | $0.06 |
| Over 3,000 gallons | $26.92 | $15.84 | | $0.07 |
|  |  |  | |  |
|  |  |  | |  |
| Charge per 1,000 gallons - General Service | $17.22 | $13.41 | | $0.06 |
|  |  |  | |  |
|  |  |  | |  |
| **Typical Residential 5/8" x 3/4" Meter Bill Comparison** |  |  | |  |
| 2,000 Gallons | $62.67 | $72.08 | |  |
| 4,000 Gallons | $104.40 | $100.59 | |  |
| 6,000 Gallons | $158.24 | $132.27 | |  |
|  |  |  | |  |
|  |  |  | |  |

1. Order No. PSC-2014-0495-PAA-WU, issued September 17, 2014, in Docket No. 20130294-WU, *In re: Application for transfer of water systems and Certificate No. 549-W in Highlands County from Holmes Utilities, Inc. to Country Walk Utilities, Inc.* [↑](#footnote-ref-1)
2. Order No. PSC-2018-0553-PAA-WU, issued November 19, 2018, in Docket No. 20180021-WU, *In re: Application for staff-assisted rate case in Highlands County by Country Walk Utilities, Inc.* [↑](#footnote-ref-2)
3. Order No. PSC-2022-0141-PAA-WU, issued April 12, 2022, in Docket No. 20210182-WU, *In re: Application for a limited alternative rate increase proceeding in Highlands County by Country Walk Utilities, Inc.* [↑](#footnote-ref-3)
4. Document No. 10302-2024, filed December 19, 2024, in Docket No. 20240168-WU. [↑](#footnote-ref-4)
5. Document No. 00411-2025, filed January 24, 2025, in Docket No. 202400168-WU. [↑](#footnote-ref-5)
6. Document No. 01129-2025, filed February 26, 2025, in Docket No. 20240168-WU. [↑](#footnote-ref-6)
7. Document No. 02512-2025, filed April 1, 2025, in Docket No. 20240168-WU. [↑](#footnote-ref-7)
8. Document No. 03013-2025, filed April 21, 2025, in Docket No. 20240168-WU. [↑](#footnote-ref-8)
9. Document No. 00411-2025, filed January 24, 2025, in Docket No. 20240168-WU. [↑](#footnote-ref-9)
10. Document No. 01129-2025, filed February 26, 2025, in Docket No. 20240168-WU*.* [↑](#footnote-ref-10)
11. Order No. PSC-2018-0553-PAA-WU, issued November 9, 2018, in Docket No. 201800021-WU, *In re: Application for staff-assisted rate case in Highlands County by Country Walk Utilities, Inc.* [↑](#footnote-ref-11)
12. Order No. PSC-2014-0495-PAA-WU, issued September 17, 2014, in Docket No. 20130294-WU, *In re: Application for transfer of water systems and Certificate No. 579-W in Highlands County from Holmes Utilities, Inc. to Country Walk Utilities, Inc.* [↑](#footnote-ref-12)
13. *Id.* at 5–6. [↑](#footnote-ref-13)
14. *See* Order No. PSC-2025-0284-PAA-SU, issued July 22, 2025, in Docket No. 20240105-SU, *In re: Application for staff-assisted rate case in Polk County, by West Lakeland Wastewater, LLC*; Order No. PSC-2025-0285-PAA-WU, issued July 22, 2025, in Docket No. 20240119-WU, *In re: Application for staff-assisted rate case in Polk County, by Alturas Water, LLC.* [↑](#footnote-ref-14)
15. Order No. PSC-2025-0213-PAA-WS, issued on June 18, 2025, in Docket No. 20250006-WS; *In re: Water and wastewater industry annual reestablishment of authorized range of return on common equity for water and wastewater utilities pursuant to Section 367.081(4)(f), F.S.* [↑](#footnote-ref-15)
16. Document No. 00411-2025, filed January 23, 2025, in Docket No. 20240168-WU*.* [↑](#footnote-ref-16)
17. Order No. PSC-2022-0141-PAA-WU, issued April 12, 2022, in Docket No. 20210182-WU, *In re: Application for limited alternative rate increase in Highlands County by County Walk Utilities, Inc.* [↑](#footnote-ref-17)
18. *See e.g.,* Order No. PSC-2025-0285-PAA-WU, issued July 22, 2025, in Docket No. 20240119-WU, *In re: Application for staff-assisted rate case in Polk County, by Alturas Water, LLC;* Order No. PSC-2025-0284-PAA-SU, issued July 22, 2025, in Docket No. 20240105-SU, *In re: Application for staff-assisted rate case in Polk County, by West Lakeland Wastewater, LLC.* [↑](#footnote-ref-18)
19. Average person per household was obtained from www.census.gov/quickfacts/highlandscounty, Florida. [↑](#footnote-ref-19)
20. Order No. PSC-15-0142-PAA-SU, issued March 26, 2015, in Docket No. 130178-SU, *In re: Application for staff assisted rate case in Polk County by Crooked Lake Park Sewerage Company*. [↑](#footnote-ref-20)