

Regulatory Assessment Fees



Regulatory Assessment Fees (RAFs)

- All water and wastewater utilities subject to FPSC jurisdiction on or before December 31 for the preceding year, even if the utility has not applied for or has been issued a certificate, are required to pay RAFs.
- RAFs are required by Section 367.145, Florida Statutes (F.S.) - *Regulatory assessment and application fees.*
- Detailed RAF filing requirements are set forth in Rule 25-30.120(2), F.A.C. - *Regulatory Assessment Fees; Water and Wastewater Utilities.*



RAF Calculations

- Each water and wastewater utility is required to pay RAF of 4.5 percent of its gross operating revenue.
- Gross operating revenue is exclusive of revenue generated from areas that do not fall into the defined Uniform System of Accounts outlined by NARUC. <http://www.naruc.org>



RAF Calculations (cont.)

- Utilities may deduct the annual expense of purchased water or wastewater treatment from another utility regulated by the FPSC from its gross operating revenues before calculating the amount of the RAF due for that year.
- A minimum annual RAF of \$25 per system is required by rule regardless of revenue earned.



RAF Filing Dates

- Small Class C water and wastewater utilities are those that received revenues less than \$200,000 in the preceding calendar year. Small Class C water and wastewater utilities file RAFs annually. Annual billing period is: January 1 - December 31. The payment is due annually on March 31 or the next business day.
- Large Class A & B water and wastewater utilities are those that received revenues greater than \$200,000 in the preceding calendar year. Large Class A & B water and wastewater utilities must file RAFs bi-annually. Bi-annual billing periods are: January 1 - June 30 and July 1 - December 31. The payment due dates are July 30 and January 30 or the next business day.



RAF Return Forms

- RAF return forms are mailed to the utility's mailing address of record in mid-December for the January 30 payment due date, mid-February for the March 31 payment due date, and mid-June for the July 30 payment due date.
- Failure to receive a RAF return form does not excuse the utility from timely remitting RAFs.
- Utilities may contact the Commission and request a RAF return form be emailed or faxed if the RAF return form is not received via regular United States Postal Service mail.



RAF Filings

RAFs may be filed by:

- Regular United States Postal Service mail, registered return receipt is recommended.
- Private mail carriers with tracking numbers (i.e., FEDEX, UPS).
- Hand delivered to the Commission Clerk prior to 5 P.M. on the applicable due date.

Note: RAFs are considered paid on the date they are postmarked or date-stamped “Received” by the Commission Clerk.



RAF Filings (cont.)

RAFs mailing address:

Florida Public Service Commission
Attention: Fiscal Services
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850



RAF Payment Method

- RAFs may be paid by bank check or cashier's check, made payable to the Florida Public Service Commission.
- The Commission does not accept credit cards or online payments at this time.



Extensions

A utility, for good cause shown in a written request, may be granted up to a 30-day extension. A request must be made by filing a Regulatory Assessment Fee Extension form (PSC/AIT 124 - mailed to all utilities with the RAF return form). Form PSC/AIT 124 must be filed two weeks prior to the RAF payment due date. The request for extension will not be granted if the utility has any unpaid RAFs, penalties, and/or interest due from prior periods. If an extension is granted, one of the following charges shall be added to the RAF amount due:

- 0.75 percent of the fee to be remitted for an extension of 15 days or less
- 1.5 percent of the fee for an extension of 16-30 days



Automatic Extensions

An automatic 30-day extension to submit a RAF return may be obtained by payment based on estimated gross operating revenue (by checking the “Estimated Return” space in the top left-hand corner of the RAF return form). If such return is submitted by the normal due date, the utility shall be granted a 30-day extension period in which to file and remit the actual fee due. This fee will be without the additional extension fee typically charged, provided the estimated RAF fee payment remitted is at least 90 percent of the actual RAF fee due for the period.



Penalties and Interest for not filing RAFs timely

- Pursuant to Section 350.113, F.S., *Florida Public Service Regulatory Trust Fund; moneys to be deposited therein*, an incremental penalty of 5 percent per each additional 30 days late, not to exceed 25 percent, shall be assessed against any utility that fails to pay its RAF by the due date. The amount of interest to be charged is 1 percent for each additional 30 days or fraction thereof, not to exceed a total of 12 percent annually. Interest continues to accrue until the RAFs due have been paid in full.



Penalties and Interest for not filing RAFs timely (cont.)

- Pursuant to Section 367.161, F.S., *Penalties*, the Commission may impose a penalty of \$5,000 per day for failure to timely pay RAFs or revoke any certificate of authorization issued by it. Each penalty shall be a lien upon the real and personal property of the entity, enforceable by the Commission as a statutory lien.



Penalties and Interest for not filing RAFs timely (cont.)

To avoid penalties and interest or compliance actions:

- The utility should ensure its mailing address and contact information provided to the Commission is current and inform the Commission of any changes when necessary.
- Utilities unable to pay RAFs by the due date should request a 15 to 30-day extension at least two weeks prior to the due date.



RAF Assistance and Information

- Questions or requests for information or assistance in preparing Regulatory Assessment Fee Returns should be directed to Toni Joy Earnhart, Public Utility Analyst, in the Division of Economics at (850) 413-6532 or by email at tearnhar@psc.state.fl.us.
- All information regarding RAFs can be found in Rule 25-30.120, F.A.C., *Regulatory Assessment Fees; Water and Wastewater Utilities*, which can be accessed at: <https://www.flrules.org>.

