

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for staff-assisted rate case in  
Orange County, by Gulfstream Utility LLC.

DOCKET NO. 20250084-SU  
ORDER NO. PSC-2026-0114-PAA-SU  
ISSUED: April 27, 2026

The following Commissioners participated in the disposition of this matter:

GABRIELLA PASSIDOMO SMITH, Chairman  
GARY F. CLARK  
MIKE LA ROSA  
BOBBY PAYNE  
ANA ORTEGA

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING RATE INCREASE FOR GULFSTREAM UTILITY LLC

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.”

**Background**

Gulfstream Utility LLC (Gulfstream or Utility) is a Class C utility providing wastewater service to approximately 965 residential customers in Orange County. Gulfstream provides water service to its wastewater customers through a bulk service agreement with Orange County. Because Gulfstream is acting as a reseller of water, pursuant to Section 367.022(9), Florida Statutes (F.S.), the water operations are exempt from Commission regulation. In October 2023, Gulfstream applied for a staff-assisted rate case (SARC). However, in June 2024, the Utility withdrew its application. Thus, this is Gulfstream’s first SARC before the Commission. According to the Utility’s 2024 annual report, its operating revenues were \$132,236 and operating expenses were \$187,386.

Gulfstream has been in existence since 2005 and was granted an original certificate by the Commission in 2022.<sup>1</sup> On June 4, 2025, the Utility filed an application for a SARC. The official date of filing the SARC was established as July 18, 2025. Gulfstream's request for a SARC is due to capital improvements and additional pro forma expense to the wastewater system. The 12-month period ending on December 31, 2024, was selected as the test year.

The Commission has jurisdiction in this case pursuant to Sections 367.011, 367.081, 367.0812, 367.0814, 367.091, and 367.121, F.S.

## **Review and Decision**

### **I. Quality of Service**

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

#### **A. *The Utility's Attempt to Address Customer Satisfaction***

There were no complaints recorded by our Consumer Activity Tracking System (CATS), received by the Utility, or filed with the DEP for the test year and four years prior. As of March 2, 2026, there were six customer comments filed in the docket file, including a letter submitted by each of the three Homeowner's Associations within Gulfstream's service territory. The majority of the comments were in opposition to the overall rate increase. The remaining comments addressed potential Utility under earnings due to malfunctioning meters and being billed a lower rate than approved by this Commission. Table 1 summarizes the customer comments filed in this docket.

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<sup>1</sup> Order No. PSC-2022-0246-PAA-SU, issued June 28, 2022, in Docket No. 20210191-SU, *In re: Application for certificate to provide wastewater service in Orange County by Gulfstream Utility LLC.*

**Table 1**  
**Number of Comments by Source and Subject**

Subject of Comment	Total
Billing	3
Noticing	4
Rate Increase	5
Meters	1
<b>Total*</b>	<b>13</b>

\*A single customer comment may be counted multiple times if it fits into multiple categories.

A customer meeting was held on January 13, 2026, and one customer provided comment. This customer echoed the same concerns identified in their written comment which was included in the above analysis. Our staff performed a supplemental review, through March 2, 2026, of complaints filed in CATS following the customer meeting and found one billing complaint, which was addressed by the Utility. Based on the above, the Utility's quality of service appears to be satisfactory.

**B. *Conclusion***

Gulfstream is currently in compliance with the DEP and there were no complaints recorded during the test year or four years prior. Therefore, we find the Utility's quality of service to be satisfactory.

**II. Infrastructure and Operating Conditions**

Rule 25-30.225(2), F.A.C., requires each wastewater 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, compliance evaluations, inspections, citations, violations, consent orders issued to the utility, customer testimony, comments, complaints, utility testimony, and responses to the aforementioned items.

**A. *Wastewater System Operating Conditions***

Gulfstream's wastewater system has a permitted capacity of 99,000 gallons per day (gpd) Annual Average Daily Flow (AADF) and is a contact stabilization domestic wastewater treatment plant. Liquid chlorine disinfection is applied prior to wastewater effluent flowing into the percolation ponds and spray field. Commission staff reviewed the Utility's compliance evaluation inspections conducted by the DEP to determine the Utility's overall wastewater facility compliance. A review of the inspection conducted on May 5, 2025, indicated that the Gulfstream wastewater treatment facility was in compliance with the DEP's rules and regulations.

B. *Conclusion*

We find that Gulfstream's wastewater treatment facilities are in compliance with DEP regulations.

III. Used and Useful

Gulfstream's wastewater treatment plant (WWTP) is permitted by the DEP as a 99,000 gpd facility. According to the Utility, its wastewater collection system is comprised of approximately 39,117 feet of 8-inch polyvinyl chloride (PVC) collecting mains. There are fifty-one manholes and six lift stations throughout the service area.

A. *Infiltration and Inflow*

Rule 25-30.432, F.A.C., provides that in determining the amount of used and useful (U&U) plant, we will consider infiltration and inflow (I&I). Excessive I&I is a calculation that is based on a comparison of allowable wastewater treated to the actual amount of wastewater treated. Allowable treated water was calculated as 18,871,043 gallons and the amount of wastewater treated was 15,095,000 gallons. The amount treated is less than the estimated allowable amount. Therefore, we find that there is no excessive I&I and no adjustment to operating expenses is necessary.

B. *Wastewater Treatment Plant and Collection System Used and Useful*

The formula for calculating U&U for the WWTP is  $(AADF + \text{growth} - \text{excessive I\&I}) / \text{permitted plant capacity}$ . The AADF for the Utility during the test year is 41,356 gpd. There is no excessive I&I and no growth based on a linear regression. The permitted capacity of the plant is 99,000 gpd. Based on this calculation, the WWTP appears to be 42 percent U&U.

However, Rule 25-30.432, F.A.C., provides that in calculating U&U, we will also consider other factors, such as whether the area served by the plant is built out. Based on our review of the customer growth and the maps provided by Gulfstream, it appears that the service territory has experienced little to no growth over the last five years. Additionally, all lots within the service territory are occupied. Therefore, we find that Gulfstream's WWTP and the wastewater collection system should be considered 100 percent U&U.

C. *Conclusion*

Gulfstream's WWTP and wastewater collection system shall both be considered 100 percent U&U. There is no excessive I&I and thus no adjustment to operating expenses is necessary.

IV. Average Test Year Rate Base

The appropriate components of the Utility's rate base include utility plant in service (UPIS), land and land rights, accumulated depreciation, and working capital. Our staff selected the test year ended December 31, 2024, for the current rate case. A summary of each component and our approved adjustments are discussed below.

A. *Pro Forma Plant Additions*

Gulfstream requests recovery of three pro forma projects. Commission staff asked that the Utility provide any bids solicited for each project. However, in response to our staff's data request, Gulfstream indicated that although its standard practice is to obtain three bids for every project, multiple bids were not obtained for any of these projects due to the urgent nature of each repair. The Utility's requested pro forma projects are described below.

1. Project No. 1 – Lift Station Repair

Project No. 1 was for repairs to lift station No. 1. This project required the removal of hydraulic cement covering the float wires before replacing all four floats. Additionally, a repair to a 4-inch discharge pipe was required. Gulfstream stated that this repair was urgent in order to avoid any potential leaks or contamination. The Utility provided an invoice for this project totaling \$7,809, with an in-service date of February 2025.

2. Project No. 2 – Trolley Cable/Wheel, Diffuser Pull, and Digester Repair

Project No. 2 involved the construction of a trolley cable system and the replacement of a wheel for the #1 trolley, pulling and cleaning of diffusers in the tanks, and the welding of a hole in the digester. Gulfstream stated that this repair was urgent due to the vital role the trolley system plays in uninterrupted operation of large machinery at the WWTP, including enabling continuous sludge removal. The Utility provided an invoice for this project totaling \$20,232, with an in-service date of July 2025.

3. Project No. 3 – LED Lights (*Withdrawn*)

In its initial filing, Gulfstream requested recovery for the installation of LED lighting. However, this request was withdrawn as the lighting was installed at the clubhouse and therefore not on Utility property.

4. Project No. 4 – Blower Replacement

Project No. 4 was the replacement of the starter on blower #1 due to item failure, and the replacement of the belts, oil, and intake filters for both blowers as preventative maintenance. Blowers are an essential element of a WWTP as they serve several functions. Gulfstream explained that this project was urgent given that the blower system is vital to biological

treatment, odor control of the plant, and maintaining proper discharge standards. The Utility provided an invoice totaling \$2,385 for this project, with an in-service date of March 2025.

5. Conclusion

We find that the Utility's three requested pro forma projects are reasonable and shall be approved because these projects involve repairs to vital utility infrastructure necessary to maintain safe and reliable service to customers.

B. *Utility Plant in Service*

The Utility recorded UPIS of \$425,241. Commission audit staff increased this amount by \$3,750,000 to reflect the Original Cost Study provided by the Utility in Docket No. 20210191-SU.<sup>2</sup> The Original Cost Study reflected plant balances totaling \$3,750,000 as of December 31, 2021, which were deemed fully depreciated. Additionally, our audit staff decreased this amount by \$12,351 to remove installation costs of backflow preventers that were unrelated to the wastewater system. As described above, the Utility requested pro forma additions to UPIS. Therefore, Commission staff increased UPIS by \$30,876 to reflect the three pro forma additions to UPIS; this amount is offset by the retirements of \$23,157. Commission staff further decreased this amount by \$9,981 to reflect an averaging adjustment. Commission staff's net adjustment to UPIS results in an increase of \$3,735,387. Therefore, we approve a total UPIS of \$4,160,628.

C. *Land and Land Rights*

The Utility recorded a test year land and land rights balance of \$98,726. We find that no adjustments to this amount are needed, and therefore approve a land and land rights balance of \$98,726.

D. *Used and Useful*

As discussed in Section III, the Utility's system is considered 100 percent U&U. Therefore, we find that no U&U adjustment is necessary.

E. *Accumulated Depreciation*

The Utility recorded accumulated depreciation of \$66,862. However, the Utility did not record the accumulated depreciation associated with the UPIS identified in the Original Cost Study. Commission audit staff increased this amount by \$3,750,000 to reflect the fully depreciated plant balance from the Original Cost Study. Our audit staff further increased this amount by \$3,263 to reflect depreciation the Utility did not record in Account 351 – Organization. Commission audit staff then decreased this amount by \$377 to remove over depreciation for Account 364. Our audit staff further increased accumulated depreciation by \$24,628 to reflect the use of the correct depreciation rates per Rule 25-30.140, F.A.C.

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<sup>2</sup> Document No. 13066-2021, filed December 15, 2021, in Docket No. 20210191-SU.

Additionally, our audit staff decreased this amount by \$1,235 to reflect the backflow preventers removed from UPIS. Commission staff decreased accumulated depreciation by \$22,642 to reflect pro forma additions and retirements. Lastly, Commission staff decreased this amount by \$11,669 to reflect an averaging adjustment. Our approved adjustments are summarized on Table 2.

**Table 2**  
**Commission Adjustments to Accumulated Depreciation**

<u>Description</u>	<u>Adjustment</u>
To reflect an auditing adjustment from the Original Cost Study.	\$3,750,000
To reflect an auditing adjustment for unrecorded depreciation.	3,263
To reflect an auditing adjustment to remove over depreciation.	(377)
To reflect an auditing adjustment for the use of correct depreciation rates.	24,628
To reflect an auditing adjustment to remove backflow preventers.	(1,235)
To reflect pro forma additions.	(22,642)
To reflect an averaging adjustment.	<u>(11,669)</u>
Total adjustments to accumulated depreciation.	<u>\$3,741,968</u>

Source: Commission staff calculations.

As described above and summarized in Table 2, our net adjustment to accumulated depreciation results in an increase of \$3,741,968. Therefore, we approve an accumulated depreciation of \$3,808,830.

F. *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 our practice, Commission staff used the one-eighth of operation and maintenance (O&M) expense (less rate case expense) formula for calculating the working capital allowance.<sup>3</sup> As such, Commission staff removed the rate case expense of \$3,492. This resulted in an adjusted O&M expense balance of \$183,828. Based on this calculation, we approve a working capital allowance of \$22,978.

G. *Conclusion and Rate Base Summary*

Based on the foregoing, we find that the appropriate average test year rate base is \$473,502. Rate base is shown on Schedule No. 1-A. The related adjustments are shown on Schedule No. 1-B.

<sup>3</sup> E.g., Order No. PSC-2025-0359-PAA-WU, issued September 24, 2025, in Docket No. 20240168-WU, *In re: Application for staff-assisted rate case in Highlands County, by Country Walk Utilities, Inc.*

V. Rate of Return

The Utility's capital structure consists of common equity. The Utility's capital structure has been reconciled with our approved rate base. The appropriate return on equity (ROE) is 8.51 percent based on the Commission-approved leverage formula currently in effect.<sup>4</sup> 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 8.51 percent. The ROE and overall rate of return are equal, as shown on Schedule No. 2.

VI. Test Year Revenues

The Utility recorded total test year operating revenues of \$139,605 for wastewater. The wastewater revenues included \$139,605 of service revenues and no miscellaneous revenues. During the test year, Gulfstream was approved for a price index rate adjustment, which was effective August 13, 2024. However, a review of the billing data indicated that the Utility incorrectly billed customers at a lower base facility (BFC) and usage charge, resulting in the Utility not collecting the appropriate test year operating revenues. Therefore, Commission staff applied the current rates to the billing determinants to determine the appropriate test year operating revenues. As a result, we find that test year service revenues shall be \$157,926 for wastewater. This results in an increase to service revenue of \$18,321 (\$157,926 – \$139,605) for wastewater. Based on the above, we approve test year operating revenues of \$157,926 for Gulfstream's wastewater system.

VII. Operating Expenses

The Utility recorded operating expenses of \$216,748. The test year expenses have been reviewed by our staff, including invoices and other supporting documentation. Commission staff made several adjustments to the Utility's operating expenses as described below.

A. *Pro Forma Operation and Maintenance*

Gulfstream is requesting recovery of the cost to submit a WWTP Permit Renewal to the DEP. In order to complete this process, Gulfstream contracted with a professional engineering firm to prepare the following: a Capacity Analysis Report; an Operations and Maintenance Performance Report; a Power Outage Contingency Plan; and a Collection System Action Plan. The cost for preparing these reports was \$4,050. We reviewed the supporting documentation submitted with the Utility's application in this SARC and find this cost to be reasonable. The Utility's WWTP permit was renewed by the DEP on March 24, 2025. Since this expense is required for the Utility to maintain its permit with the DEP, we approve this expense.

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<sup>4</sup> 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.*

B. *Operation and Maintenance Expenses*

1. Salaries and Wages – Employees (701)

The Utility recorded a salaries and wages expense of \$10,669, which included payroll tax. Commission staff decreased this amount by \$749 to reclassify payroll taxes to Taxes Other Than Income (TOTI). Therefore, we approve a salaries and wages expense of \$9,920.

2. Purchased Wastewater Treatment (710)

The Utility recorded purchased wastewater treatment expense of \$68,726. Commission staff decreased this amount by \$3,823 to reflect an audit adjustment based on actual invoices provided by the Utility. Therefore, we approve a purchased wastewater treatment expense of \$64,903.

3. Sludge Removal Expense (711)

The Utility recorded sludge removal expense of \$15,645. Commission staff decreased this amount by \$998 to reflect an audit adjustment related to an out-of-period invoice. This amount was also increased by \$3,923 to reflect an audit adjustment for invoices provided by the Utility that had not been charged to an expense account. Commission staff further increased this amount by \$5,895 to reflect a reclassification of sludge removal costs that had been recorded in Account 731 – Contractual Services – Professional. Commission staff's net adjustment to sludge removal expense results in an increase of \$8,820. Therefore, we approve a sludge removal expense of \$24,465.

4. Purchased Power (715)

The Utility recorded purchased power expense of \$4,328. Commission staff increased this amount by \$2,161 to reflect an audit adjustment based on invoices for the test year provided by the Utility. Therefore, we approve a purchased power expense of \$6,489.

5. Chemicals (718)

The Utility recorded chemicals expense of \$7,397. Commission staff decreased this amount by \$561 to reflect an audit adjustment to remove an out-of-period invoice. This amount was also increased by \$2,056 to reflect an audit adjustment for the reclassification of chemicals expense that had been recorded in Account 731 – Contractual Services – Professional. Commission staff's net adjustment to chemical expense results in an increase of \$1,495. Therefore, we approve a chemicals expense of \$8,892.

6. Materials and Supplies (720)

The Utility recorded materials and supplies expense of \$800. We find that no adjustments to this amount are needed. Therefore, we approve a materials and supplies expense of \$800.

7. Contractual Services – Billing (730)

The Utility recorded contractual services – billing expense of \$8,427. Commission staff decreased this amount by \$651 to reflect an audit adjustment to remove an out-of-period invoice. This amount was further decreased by \$1,366 to remove charges for November and December 2024 for which no supporting documentation was provided. Commission staff's net adjustment to contractual services – billing expense results in a decrease of \$2,017. Therefore, we approve a contractual services – billing expense of \$6,410.

8. Contractual Services – Professional (731)

The Utility recorded contractual services – professional expense of \$59,676. Commission staff increased this amount by \$481 to reflect a full year of groundskeeping services at the wastewater treatment plant. This amount was decreased by \$1,279 to reflect an audit adjustment due to lack of supporting documentation. In addition, Commission staff decreased this amount by \$5,895 and \$2,056 to reclassify expenses that had been inappropriately recorded in Account 731 – Contractual Services and properly assign them to Accounts 711 – Sludge Removal and 718 – Chemicals, respectively. Commission staff's net adjustment to contractual services – professional expense results in a decrease of \$8,749. Therefore, we approve a contractual services – professional expense of \$50,927.

9. Contractual Services – Other (736)

The Utility recorded contractual services – other expense of \$9,723. We find that no adjustments to this amount are needed. Therefore, we approve a contractual services – other expense of \$9,723.

10. Transportation Expense (750)

The Utility recorded transportation expense of \$536. Commission staff decreased this amount by \$310 to reflect an audit adjustment due to lack of supporting documentation. Therefore, we approve a transportation expense of \$226.

11. Regulatory Commission Expense (765)

The Utility did not record any rate case expense for the current docket. The Utility is required by Rule 25-22.0407, F.A.C., to mail notices of the rate case overview, final rates, and four-year rate reduction. Commission staff calculated noticing costs to be \$3,368.

Under Section 367.0814(3), F.S., this Commission may award rate case expense for attorney fees or fees of other outside consultants if such fees are incurred after the initial staff report. On February 13, 2026, the Utility provided documentation to support \$9,407 in additional rate case expense including legal expenses and consulting fees incurred to date and estimated

through the end of the proposed agency action process.<sup>5</sup> We reviewed the documentation and we find the Utility's requested rate case expense to be reasonable.

Commission staff calculated the distance from the Utility representative's office in Orlando, Florida, to Tallahassee, Florida as 261 miles. Based on the 2026 Internal Revenue Service business mileage rate of \$0.725, Commission staff calculated round trip travel and lodging expense to our Commission Conference of \$578. However, because the same Utility representative will be attending the Commission Conference on behalf of this and two sister utilities, Commission staff allocated only 33.3 percent of the total travel expense, or \$193, to Gulfstream. Additionally, the Utility paid a filing fee of \$1,000 for its SARC application.

We therefore approve a total rate case expense, consisting of noticing costs, travel, lodging expenses and filing fee of \$13,967, which amortized over four years is \$3,492. Thus, we approve total annual rate case expense of \$3,492.

#### 12. Miscellaneous Expenses (775)

The Utility recorded miscellaneous expenses of \$1,460. Commission staff decreased this amount by \$1,147 to remove telephone and cable expenses the Utility elected not to include for recovery. This amount was further decreased by \$50 to remove unsupported office expenses. As described above, the Utility requested O&M pro forma to recover the costs of its WWTP permit renewal, which is a non-recurring cost estimated to be \$4,050. Pursuant to Rule 25-30.433(9), F.A.C., Commission staff amortized this amount over five years, resulting in an increase to the test year expense of \$810. Commission staff's net adjustment to miscellaneous expenses results in a decrease of \$387. Therefore, we approve miscellaneous expenses of \$1,073.

#### 13. Operation and Maintenance Conclusion and Expense Summary

The Utility recorded test year O&M expense of \$187,387. Based on the above adjustments, we find that O&M expense shall be decreased by \$68. This results in a total O&M expense of \$187,319. Our approved adjustments to O&M are shown on Schedule No. 3-C.

#### C. *Depreciation Expense*

The Utility recorded depreciation expense of \$14,861. Based on the depreciation rates prescribed in Rule 25-30.140, F.A.C., our audit staff increased this amount by \$8,853. Commission staff further increased this amount by \$515 to reflect pro forma additions and retirements. In addition, Commission staff decreased this amount by \$377 to remove depreciation expense associated with a fully depreciated account.

Commission staff's net adjustments to depreciation expense result in an increase of \$8,991. Therefore, we approve depreciation expense of \$23,852.

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<sup>5</sup> Document No. 01096-2026, filed February 13, 2026, in Docket No. 20250084-SU.

D. *Taxes Other Than Income*

The Utility recorded taxes other than income (TOTI) of \$14,500. Commission audit staff decreased property tax by \$468 to reflect 2024 Real and Tangible Personal Property tax assessments from Orange County. Commission staff increased payroll tax by \$749 to reflect the reclassification of payroll tax expense that had been recorded in Account 701 – Salaries and Wages. Commission staff further increased TOTI by \$111 to reflect property taxes associated with pro forma plant additions.

Furthermore, based on revenues discussed in Section VI, TOTI shall be increased by \$824 to reflect a regulatory assessment fee (RAF) rate of 4.5 percent applied to the adjustment in revenues.

As discussed later in Section IX, we find that revenues should be increased by \$114,391 to reflect the increased revenue required to cover expenses and allow an opportunity to earn the recommended rate of return. As a result, TOTI shall be increased by \$5,148 to reflect a RAF rate of 4.5 percent of the change in revenues. Commission staff's adjustments result in a total increase of \$6,365. Therefore, we approve a TOTI of \$20,865.

E. *Conclusion and Total Operating Expenses Summary*

The Utility recorded operating expenses of \$216,748. The cumulative impact of our approved adjustments to the Utility's recommended operating expense results in a total operating expense of \$232,036, an increase of \$15,288. Operating expenses are shown on Schedule No. 3-A, and the related adjustments are shown on Schedule No. 3-B.

VIII. Operating Ratio Methodology

Rule 25-30.4575(2), F.A.C., indicates that in rate cases processed under Rule 25-30.455, F.A.C., we will use the operating ratio methodology to establish the utility's revenue requirement when its rate base is not greater than 125 percent of O&M expenses, less regulatory Commission expense and purchased wastewater treatment expense, and the use of the operating ratio methodology does not change the utility's qualification for a SARC.

With respect to Gulfstream, we approved a rate base of \$473,502. After removal of rate case expense and purchased wastewater treatment expense, Commission staff calculated an adjusted O&M expense of \$118,925. Based on our approved amounts, the Utility's rate base is 398.15 percent of its adjusted O&M expense. Therefore, the Utility does not qualify for application of the operating ratio methodology.

IX. Revenue Requirement

Gulfstream shall be allowed an annual increase of \$114,391 (72.43 percent). This will allow the Utility the opportunity to recover its expenses and earn an 8.51 percent return on rate base. The calculations for the revenue requirement are shown on Table 3.<sup>6</sup>

**Table 3**  
**Revenue Requirement**

Wastewater Rate Base	\$473,502
Rate of Return	× 8.51%
Return on Rate Base	<u>\$40,281</u>
Water O&M Expense	187,319
Depreciation Expense	23,852
Taxes Other Than Income	<u>20,865</u>
Revenue Requirement	<u>\$272,317</u>
Less Test Year Revenues	\$157,926
Annual Increase	\$114,391
Percent Increase	72.43%

Source: Commission staff calculations.

X. Rate Structure

Gulfstream provides wastewater service to approximately 965 residential customers and no general service customers. Currently, the wastewater rate structure for residential and general service customers consists of a monthly uniform BFC for all meter sizes and a gallonage charge with no gallonage cap for residential customers.

Commission staff performed an analysis of the Utility's billing data in order to evaluate various BFC cost recovery percentages and gallonage caps for the residential wastewater 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; and (3) implement a gallonage cap, where appropriate, that considers the approximate amount of water that may return to the wastewater system.

Commission staff allocated 50 percent of the wastewater revenue to the BFC due to the capital intensive nature of wastewater plants. As mentioned above, the Utility currently does not have a wastewater gallonage cap set. The wastewater gallonage cap recognizes that not all water used by the residential customers is returned to the wastewater system. The wastewater cap of most utilities is set at approximately 80 percent of residential water sold, which typically results in gallonage caps of 6,000, 8,000, or 10,000. Based on Commission staff's review of the billing analysis, 86 percent of the gallons are captured at the 4,000 gallon level. Although the approved residential wastewater cap is typically based on 80 percent of total water sold, in this case, doing

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<sup>6</sup> We note these calculations may not sum due to rounding.

so would yield an exceptionally low residential wastewater cap. In addition, lowering the gallonage cap below 6,000 gallons would have an adverse effect on the residential gallonage charge and resulting customer bills. Based on Commission staff's review of the billing data, we shall therefore set the gallonage cap for residential customers at 6,000 gallons.

In addition, although the Utility does not have any general service customers, we shall implement general service rates by meter size for future customers. We find that is appropriate, and consistent with our practice, for the general service gallonage charge to be set at 1.2 times greater than the residential gallonage charge.

Finally, in its application, Gulfstream requested a repression adjustment. As a result of an increase in the price of water, we have applied a corresponding wastewater repression adjustment when the water and wastewater provider are the same utility.<sup>7</sup> Even in cases with a single water and wastewater utility provider, there has still been no recognition of an adjustment due to an increase in the price of wastewater. We have only recognized the effect on customer demand from an increase in the price of water. It is our practice that an increase in the price of water is the catalyst for whether or not to make a repression adjustment, which would ultimately flow through to wastewater. Therefore, a repression adjustment for the Utility's wastewater system is not applicable in this case.

Based on the above, our approved rate structure and monthly wastewater rates are shown on Schedule No. 4. The Utility's proposal to include a repression adjustment is denied. 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 Commission staff has approved the proposed customer notice and the notice has been received by the customers. The Utility shall provide proof of the date notice was given by affidavit within 10 days of the date of the notice.

#### XI. 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.<sup>8</sup> Currently, Gulfstream has an initial customer deposit of \$28 for the 5/8 inch x 3/4 inch meter size, and two times the average estimated bill for the general service customers. However, this amount does not cover two months' average bills based on our approved rates. Based on the Utility's average monthly residential consumption, the appropriate initial customer deposit shall be \$49 to reflect an

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<sup>7</sup> Order No. PSC-2017-0459-PAA-WS, issued November 30, 2017, in Docket No. 20160176-WS, *In re: Application for staff-assisted rate case in Polk County by Four Lakes Golf Club, Ltd.*

<sup>8</sup> Order No. PSC-15-0142-PAA-SU, issued March 26, 2015, in Docket No. 20130178-SU, *In re: Application for staff assisted rate case in Polk County by Crooked Lake Park Sewerage Company.*

average residential customer bill for two months. The monthly average residential water bill is \$24.67.

Therefore, we approve an initial customer deposit of \$49 for all residential meter sizes. 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 wastewater. Our approved initial customer deposits shall be effective for service rendered or 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 initial customer deposits until authorized to change them by us in a subsequent proceeding.

## XII. 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 shall 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 \$3,656.

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. Gulfstream 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 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.

## XIII. 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. Gulfstream shall file revised tariff sheets and a proposed customer notice reflecting our approved rates. These temporary 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 temporary rates shall not be implemented until Commission staff has approved the proposed notice, and the notice has been received by the customers. The additional revenue produced by the temporary rates collected by the Utility shall be subject to the refund provisions discussed below.

Gulfstream shall be authorized to collect the temporary rates upon Commission staff's approval of an appropriate security for the potential refund and cost of the proposed customer notice. Security shall be in the form of either a bond or letter of credit in the amount of \$78,111.

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.

XIV. Adjustment to Books

Gulfstream 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 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (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, Commission 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 Gulfstream Utility LLC's quality of service is satisfactory. Gulfstream Utility LLC is in compliance with the Department of Environmental Protection and there were no complaints recorded during the test year or four years prior. It is further

ORDERED that the wastewater treatment facilities of Gulfstream Utility LLC are in compliance with Department of Environmental Protection regulations. It is further

ORDERED that Gulfstream Utility LLC's wastewater treatment plant and wastewater collection system shall both be considered 100 percent used and useful. There is no excessive infiltration and inflow. It is further

ORDERED that the appropriate average test year rate base for Gulfstream Utility LLC is \$473,502. It is further

ORDERED that the appropriate return on equity for Gulfstream Utility LLC is 8.51 percent, with a range of 7.51 percent to 9.51 percent. The appropriate overall rate of return is 8.51 percent. It is further

ORDERED that the appropriate test year operating revenues for Gulfstream Utility LLC's wastewater system are \$157,926. It is further

ORDERED that the appropriate amount of operating expense for Gulfstream Utility LLC is \$232,036. It is further

ORDERED that Gulfstream Utility LLC does not meet the criteria for application of the operating ratio methodology for calculating the revenue requirement. It is further

ORDERED that the appropriate revenue requirement for Gulfstream Utility LLC is \$272,317, resulting in an annual increase of \$114,391. It is further

ORDERED that the rate structure and monthly wastewater rates shown on Schedule No. 4 are approved. Gulfstream Utility LLC's proposal to include a repression adjustment is denied. Gulfstream Utility LLC 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. Gulfstream Utility LLC shall provide proof of the date notice was given by affidavit within 10 days of the date of the notice. It is further

ORDERED that the appropriate initial customer deposit shall be \$49 for all residential meter sizes. 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 wastewater. The approved initial customer deposits shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets pursuant to Rule 25-30.475, F.A.C. Gulfstream Utility LLC shall collect the approved initial customer deposits until authorized to change them by us in a subsequent proceeding. 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. Gulfstream Utility LLC 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 Gulfstream Utility LLC 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 Gulfstream Utility LLC, the proposed rates shall be approved on a temporary basis, subject to refund with interest, pursuant to Section 367.0814(7), F.S. Gulfstream Utility LLC shall file revised tariff sheets and a proposed customer notice reflecting the Commission-approved rates. The temporary rates shall be effective for services 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 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, Gulfstream Utility LLC shall provide appropriate financial security as set forth herein. The approved temporary rates collected by Gulfstream Utility LLC 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., Gulfstream Utility LLC shall file reports with the Commission's Office of Commission Clerk no later than the 20th of each month indicating both the current 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 Gulfstream Utility LLC shall notify this Commission, in writing, that it has adjusted its books in accordance with our decision. Gulfstream Utility LLC 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 Gulfstream Utility LLC's books and records. In the event that Gulfstream Utility LLC 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 Gulfstream Utility LLC and approved by Commission staff, and that Gulfstream Utility LLC submitted its letter confirming all adjustments to applicable National Association of Regulatory Utility Commissioners Uniform System of Accounts primary accounts were made. Once these actions are complete, this docket shall be closed administratively. It is further

ORDERED that all matters contained in the attachments and schedules appended hereto are incorporated by reference.

By ORDER of the Florida Public Service Commission this 27th day of April, 2026.



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ADAM TETZMAN  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
(850) 413-6770  
[www.floridapsc.com](http://www.floridapsc.com)

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 May 18, 2026. 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.

GULFSTREAM UTILITY LLC		SCHEDULE NO. 1-A	
TEST YEAR ENDED 12/31/2024		DOCKET NO. 20250084-SU	
SCHEDULE OF WASTEWATER RATE BASE			
DESCRIPTION	BALANCE PER UTILITY	COMM. ADJUST.	BALANCE PER COMM.
1. UTILITY PLANT IN SERVICE	\$425,241	\$3,735,387	\$4,160,628
2. LAND & LAND RIGHTS	98,726	0	98,726
3. ACCUMULATED DEPRECIATION	(66,862)	(3,741,968)	(3,808,830)
4. WORKING CAPITAL ALLOWANCE	<u>0</u>	<u>22,978</u>	<u>22,978</u>
WASTEWATER RATE BASE	<u>\$457,105</u>	<u>\$16,397</u>	<u>\$473,502</u>

**GULFSTREAM UTILITY LLC**  
**TEST YEAR ENDED 12/31/2024**  
**ADJUSTMENTS TO RATE BASE**

**SCHEDULE NO. 1-B**  
**DOCKET NO. 20250084-SU**

**WASTEWATER**

**UTILITY PLANT IN SERVICE**

1. To reflect audit adjustments.	\$3,737,649
2. To reflect pro forma additions.	30,876
3. To reflect pro forma retirements.	(23,157)
4. To reflect an averaging adjustment.	<u>(9,981)</u>
Total	<u>\$3,735,387</u>

**ACCUMULATED DEPRECIATION**

1. To reflect audit adjustments.	(\$3,776,279)
2. To reflect pro forma adjustments.	22,642
3. To reflect an averaging adjustment.	<u>11,669</u>
Total	<u>(\$3,741,968)</u>

**WORKING CAPITAL ALLOWANCE**

To reflect 1/8 of test year O&M expenses.	<u>\$22,978</u>
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GULFSTREAM UTILITY LLC			SCHEDULE NO. 2			
TEST YEAR ENDED 12/31/2024			DOCKET NO. 20250084-SU			
SCHEDULE OF CAPITAL STRUCTURE						
CAPITAL COMPONENT	PER UTILITY	ADJUST-MENTS	BALANCE PER COMM.	PERCENT OF TOTAL	COST	WEIGHTED COST
1. COMMON EQUITY	<u>\$457,105</u>	<u>\$16,397</u>	<u>\$473,502</u>	<u>100.00%</u>	8.51%	<u>8.51%</u>
TOTAL CAPITAL	<u>\$457,105</u>	<u>\$16,397</u>	<u>\$473,502</u>	<u>100.00%</u>		<u>8.51%</u>
<b>RANGE OF REASONABLENESS</b>					<b><u>LOW</u></b>	<b><u>HIGH</u></b>
RETURN ON EQUITY					7.51%	9.51%
OVERALL RATE OF RETURN					7.51%	9.51%

<b>GULFSTREAM UTILITY LLC</b>			<b>SCHEDULE NO. 3-A</b>		
<b>TEST YEAR ENDED 12/31/2024</b>			<b>DOCKET NO. 20250084-SU</b>		
<b>SCHEDULE OF WASTEWATER OPERATING INCOME</b>					
	<b>TEST YEAR PER UTILITY</b>	<b>COMM. ADJUST- MENTS</b>	<b>COMM. ADJUSTED TEST YEAR</b>	<b>ADJUST FOR INCREASE</b>	<b>REVENUE REQUIREMENT</b>
<b>1. TOTAL OPERATING REVENUES</b>	\$139,605	\$18,321	\$157,926	\$114,391 72.43%	\$272,317
<b>OPERATING EXPENSES:</b>					
<b>2. OPERATION &amp; MAINTENANCE</b>	\$187,387	(\$68)	\$187,319		\$187,319
<b>3. DEPRECIATION (NET)</b>	14,861	8,991	23,852		23,852
<b>4. TAXES OTHER THAN INCOME</b>	<u>14,500</u>	<u>1,217</u>	<u>15,717</u>	<u>5,148</u>	<u>20,865</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>\$216,748</u>	<u>\$10,140</u>	<u>\$226,888</u>	<u>\$5,148</u>	<u>\$232,036</u>
<b>5. OPERATING INCOME / (LOSS)</b>	(\$77,143)		(\$68,962)		\$40,281
<b>6. WASTEWATER RATE BASE</b>	\$457,105	\$16,397	\$473,502		\$473,502
<b>7. RATE OF RETURN</b>					8.51%

<b>GULFSTREAM UTILITY LLC</b>		<b>SCHEDULE 3-B</b>
<b>TEST YEAR ENDED 12/31/2024</b>		<b>DOCKET NO. 20250084-SU</b>
<b>ADJUSTMENTS TO OPERATING INCOME</b>		
		<b><u>WASTEWATER</u></b>
<b>OPERATING REVENUES</b>		
To reflect an audit adjustment to Service Revenues.		<u>\$18,321</u>
<b>OPERATION AND MAINTENANCE EXPENSE</b>		
1. Salaries and Wages - Employees (701)		
To reflect the reclassification of payroll tax.		<u>(\$749)</u>
2. Purchased Water / Sewage (710)		
To reflect an audit adjustment.		<u>(\$3,823)</u>
3. Sludge Removal Expense (711)		
To reflect audit adjustments.		<u>\$8,820</u>
4. Purchased Power (715)		
To reflect an audit adjustment.		<u>\$2,161</u>
5. Chemicals Expense (718)		
To reflect audit adjustments.		<u>\$1,495</u>
6. Contractual Services - Billing (730)		
To reflect audit adjustments.		<u>(\$2,017)</u>
7. Contractual Services - Professional (731)		
To reflect audit adjustments.		<u>(\$8,749)</u>
8. Transportation Expense (750)		
To reflect an audit adjustment.		<u>(\$310)</u>
9. Rate Case Expense (765)		
To reflect 1/4 rate case expense.		<u>\$3,492</u>
10. Miscellaneous Expense (775)		
a. To reflect an audit adjustment.		(\$1,147)
b. To reflect unsupported expenses.		(50)
c. To reflect amortization of WWTP permit.		<u>810</u>
Subtotal		<u>(\$387)</u>
<b>TOTAL OPERATION AND MAINTENANCE ADJUSTMENTS</b>		<u>(\$68)</u>

**DEPRECIATION EXPENSE**

1. To reflect an audit adjustment.	\$8,853
2. To reflect pro forma additions.	515
3. To reflect staff adjustment.	<u>(377)</u>
Total	<u>\$8,991</u>

**TAXES OTHER THAN INCOME**

1. To reflect an audit adjustment.	(\$468)
2. To reflect 2024 tangible and property taxes.	749
3. To reflect property taxes associated with pro forma plant additions.	111
4. To reflect test year revenue RAF's	824
5. To reflect appropriate revenue requirement RAF's.	<u>5,148</u>
Total	<u>\$6,365</u>

**TOTAL OPERATING EXPENSE ADJUSTMENTS**\$15,288

GULFSTREAM UTILITY LLC		SCHEDULE NO. 3-C		
TEST YEAR ENDED 12/31/2024		DOCKET NO. 20250084-SU		
ANALYSIS OF WASTEWATER O&M EXPENSE				
ACCT.	DESCRIPTION	TOTAL PER UTILITY	COMM. ADJUST- MENT	TOTAL PER COMM.
701	Salaries and Wages - Employees	\$10,669	(\$749)	\$9,920
710	Purchased Wastewater Treatment	68,726	(3,823)	64,903
711	Sludge Removal Expense	15,645	8,820	24,465
715	Purchased Power	4,328	2,161	6,489
718	Chemicals	7,397	1,495	8,892
720	Materials and Supplies	800	0	800
730	Contractual Services - Billing	8,427	(2,017)	6,410
731	Contractual Services - Professional	59,676	(8,749)	50,927
736	Contractual Services - Other	9,723	0	9,723
750	Transportation Expense	536	(310)	226
765	Rate Case Expense	0	3,492	3,492
775	Miscellaneous Expenses	<u>1,460</u>	<u>(387)</u>	<u>1,073</u>
	Total O&M Expense	<u>\$187,387</u>	<u>(\$68)</u>	<u>\$187,319</u>
	Working Capital is 1/8 of O&M Less RCE			\$22,978

<b>GULFSTREAM UTILITY, LLC.</b>		<b>SCHEDULE NO. 4</b>	
<b>TEST YEAR ENDED DECEMBER 31, 2024</b>		<b>DOCKET NO. 20250084-SU</b>	
<b>MONTHLY WASTEWATER RATES</b>			
	<b>UTILITY CURRENT RATES</b>	<b>COMMISSION APPROVED RATES</b>	<b>4 YEAR RATE REDUCTION</b>
<b><u>Residential Service</u></b>			
All Meter Sizes	\$2.38	\$11.85	\$0.16
Charge per 1,000 gallons 6,000 gallon cap*	\$4.93	\$5.55	\$0.07
<b><u>General Service</u></b>			
All Meter Sizes	\$2.38	N/A	
Base Facility Charge by Meter Size			
5/8" X 3/4"	N/A	\$11.85	\$0.16
3/4"	N/A	\$17.78	\$0.24
1"	N/A	\$29.63	\$0.40
1 1/2"	N/A	\$59.25	\$0.79
2"	N/A	\$94.80	\$1.27
3"	N/A	\$177.75	\$2.38
4"	N/A	\$296.25	\$3.97
6"	N/A	\$592.50	\$7.94
Charge per 1,000 gallons	\$4.93	\$6.66	\$0.09
<b><u>Typical Residential 5/8" x 3/4" Meter Bill Comparison</u></b>			
2,000 Gallons	\$12.24	\$22.95	
6,000 Gallons	\$31.96	\$45.15	
8,000 Gallons	\$41.82	\$45.15	

\*Wastewater charges are now subject to a gallonage cap. This cap did not apply under previous rate schedules