

**RESOLUTION NO 2026-**

(Amends Resolutions 07-137, 10-107, 16-095, & 2024-134)

**A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS, POLK COUNTY, FLORIDA, SETTING FORTH A SCHEDULE OF REVISED COUNTY WATER UTILITY RATES, FEES, DEPOSITS, AND CHARGES TO INCLUDE AMENDED POTABLE WATER RATES, WASTEWATER RATES, RECLAIMED WATER RATES, CONNECTION CHARGES, MISCELLANEOUS SERVICE CHARGE RATES, CUSTOMER DEPOSITS, AND THE POLK WATER RESOURCE INITIATIVES / ALTERNATIVE WATER SUPPLY SURCHARGE COMMENCING OCTOBER 1, 2026 TO PROVIDE FOR THE UTILITY SYSTEM EXPANSION AND REINVESTMENT PLAN FOR FIVE YEARS; PROVIDING THE COUNTY MANAGER LIMITED AUTHORITY TO INCREASE RATES, FEES, DEPOSIT AMOUNTS AND CHARGES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Polk County, a political subdivision of the State of Florida, by and through its Board of County commissioners, is authorized to establish and modify water, wastewater, and reclaimed water rates, connection charges, service charges, customer deposits and the Polk Water Resource Initiative/Alternative Water Supply surcharge for its utility customers; and

**WHEREAS**, on November 20, 2007, the Board of County Commissioners adopted Resolution 07-137, establishing rates for water, wastewater, and reclaimed water services, fees, and charges, and for customer deposits all as set forth therein; and

**WHEREAS**, on July 21, 2010, the Board of County Commissioners adopted Resolution 10-107 amending certain service rates as more particularly set forth therein; and

**WHEREAS**, on August 16, 2016, the Board of County Commissioners adopted Resolution 16-095 establishing the Polk Water Resource Initiatives/Alternative Water Supply surcharge ("PWRI/AWS Surcharge") and amended certain service rates as more particularly set forth therein; and

**WHEREAS**, on July 16, 2024, the Board of County Commissioners adopted Resolution 2024-134 adding base facility charges and applying the PWRI/AWS Surcharge to reclaimed water rates, indexing water and wastewater rates, amending connection fees, other miscellaneous fees, and customer deposits as more particularly set forth therein; and

**WHEREAS**, the state water management districts responsible for protecting and maintaining water and related natural resources within Polk County have indicated that future water supplies within the Central Florida area will have to come from alternative water supplies (AWS) rather than the Upper Floridan aquifer which has traditionally been the source for water supply in the area; and

**WHEREAS**, the County has established the Water Cooperative of Central Florida ("WCCF") with the City of St. Cloud, Tohopekaliga Water Authority, and Orange County, and the Polk Regional Water Cooperative ("PRWC") with most of the municipalities within the geographic boundary of Polk County, to collaboratively address future water supplies within Central Florida through the development of a wide variety of water projects and initiatives (each, whether

developed by or through a cooperative or solely by the County, a "Water Project") as generally described within the interlocal agreements creating each cooperative to include AWS Water Projects and the development of interconnections among utility systems; and

**WHEREAS**, the cost to develop a Water Project will vary based on the specifics of a particular project with the capital and operating costs of AWS Water Projects significantly higher than those of traditional groundwater source projects; and

**WHEREAS**, Water Projects creating utility systems interconnections will lower capital and operating costs for those systems by maximizing use of existing permitted ground water resources; and

**WHEREAS**, Polk County previously established the PWRI/AWS Surcharge as a dedicated funding source to pay for its share of the development and construction of interconnects and AWS Water Projects; and

**WHEREAS**, Polk County, through its membership in the WCCF and the PRWC and as a party to agreements established to implement the AWS Water Projects known as Cypress Lake, West Polk Wellfield, and the Southeast Wellfield, is obligated to fund its share of the costs for each project with those costs anticipated to become due over the next five years; and

**WHEREAS**, Polk County desires to provide funding to meet its obligations for funding these AWS Water Projects and to increase the expansion and reinvestment in its water utility systems; and

**WHEREAS**, to meet these funding obligations Polk County desires to incrementally increase rates over the next five (5) years to meet increased costs; and

**WHEREAS**, Polk County must obtain financing through the issuance of bonds to pay for its planned water utility system capital improvements; and

**WHEREAS**, to attain favorable bond ratings and terms Polk County must maintain an adequate debt coverage ratio; and

**WHEREAS**, reclaimed water pricing has historically been significantly discounted to encourage public consumption to provide beneficial use of and aid in the effluent disposal needs of wastewater treatment facilities, and

**WHEREAS**, the demand for reclaimed water sometimes exceeds the supply in drier months and increasing rates will promote conservation of the resource, and

**WHEREAS**, reclaimed water is currently being considered as a possible source of potable water in the future, and

**WHEREAS**, Polk County desires to maintain an adequate debt coverage ratio and provide for conservation of all water sources including reclaimed water by increasing the reclaimed water rates to be closer to potable water rates, and

**WHEREAS**, the County has conducted a properly noticed Public Hearing, in which the public was given an opportunity to be heard as to the implementation of the aforementioned water utility rate changes and fee adjustments;

**NOW, THEREFORE, BE IT RESOLVED** by the Polk County Board of County Commissioners in regular session duly assembled July 21, 2026, as follows:

- 1) The PWRI/AWS Surcharge shall be charged per thousand gallons of potable and reclaimed water for all usage by potable water customers and reclaimed water customers and shall appear as a separate charge on customer bills. On the first day of October for each of the years 2026, 2027, 2028, 2029 and 2030, the rate shall increase \$0.25 per year, as set forth in the Schedule of Rates, Charges, and Fees tables attached hereto as Exhibit "A." The PWRI/AWS Surcharge funds will be deposited into a separate fund and the use of the funds will be limited to costs associated with the implementation and construction of Polk Water Resource Initiatives and Alternative Water Supply Water Projects.
- 2) Effective October 1, 2026, base facility charges and usage charges will increase for each reclaimed water service connection at approximately 1.5 times the existing rates, then on April 1, 2027 will index by 33%, then on the first day of October for each of the years 2027, 2028, 2029, and 2030 will index by six (6%) as set forth in the Schedule of Rates, Charges, and Fees tables attached hereto as Exhibit "A."
- 3) A six percent (6.0%) yearly rate increase, needed for increased investments system wide, on potable water rates and wastewater rates will become effective on the 1<sup>st</sup> day of October for each of the years 2026, 2027, 2028, 2029, and 2030, as set forth in the Schedule of Rates, Charges, and Fees tables attached hereto as Exhibit "A."
- 4) Effective October 1, 2026, the Water and Wastewater Connection Charges, Miscellaneous Service Fees and Customer Deposits will be set at the rates listed in the Schedule of Rates, Charges, and Fees tables attached hereto as Exhibit "A." to recover costs to provide services.
- 5) Effective October 1, 2026, a new fee for septage processing shall be charged for that service in the initial amount of \$0.15 per gallon as set forth in the Schedule of Rates, Charges, and Fees tables attached hereto as Exhibit "A."
- 6) In order to ensure the Polk County water utility rates, fees, and charges shall be sufficient to pay all operating and maintenance expenses, capital outlay, bond interest and redemption costs, and all other costs of each respective water utilities operations, the County Manager, without need of further action by the Board of County Commissioners, may annually increase the Exhibit "A" rates, fees, and charges established to pay such costs by applying any annual price increase index which the Florida Public Service Commission ("FPSC") may establish pursuant to section 367.081(4)(a), Florida Statutes, for the major categories of operating costs incurred by water and wastewater utilities. An example of an FPSC annual price increase index is attached as Exhibit "B" to this Resolution.
  - a. If the County Manager implements an increase to the water utility rates, fees, and charges pursuant to this section, the price increase index shall be applied uniformly to the applicable rates, fees and charges of the utility systems except connection fees.

- b. If in any year the County Manager does not increase the water utility rates, fees and charges by applying a FPSC price increase index to the current rates, fees, and charges of the utility systems, then the County Manager cannot utilize that year's price increase index when adjusting the water utility rates, fees, and charges in subsequent years.
  - c. This Section 6 does not grant the County Manager authority to further increase a rate, charge, or fee for a future year when an annual increase to that particular rate, charge, or fee for that year is already listed in the Schedule of Rates, Charges, and Fees tables attached as Exhibit "A." This section does not authorize a reduction to water utility rates, fees, and charges, based on a FPSC price decrease index.
- 7) The Schedule of Rates, Charges, and Fees attached as Exhibit "A" states all rates, fees, and charges amended and established as provided in this Resolution, and restates in its entirety all other previously established water utility rates, charges, and fees which are not amended by this Resolution. All rates, charges, and fees stated in Exhibit "A" shall remain in effect unless and until subsequently amended by the Board of County Commissioners, or by the County Manager as provided herein.
- 8) This Resolution shall become effective immediately upon adoption.

Dated and effective this \_\_\_\_\_<sup>th</sup> day of July , 2026.

**ATTEST:**  
**STACY M. BUTTERFIELD**  
Clerk to the Board

**BOARD OF COUNTY COMMISSIONERS**  
**POLK COUNTY, FLORIDA**

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Martha Santiago, Ed. D., Chair

# EXHIBIT "A"

## POLK COUNTY UTILITIES DIVISION SCHEDULE OF RATES, CHARGES AND FEES

| RESIDENTIAL WATER RATES                         |           |  |           |           |           |           |
|-------------------------------------------------|-----------|--|-----------|-----------|-----------|-----------|
| Effective Date                                  | 10/1/2026 |  | 10/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                   | 6.00%     |  | 6.00%     | 6.00%     | 6.00%     | 6.00%     |
| Base Charge                                     | \$ 12.42  |  | \$ 13.17  | \$ 13.96  | \$ 14.80  | \$ 15.69  |
| Usage Block Ranges<br>(in thousands of gallons) |           |  |           |           |           |           |
| 0 - 3                                           | \$ 2.37   |  | \$ 2.51   | \$ 2.66   | \$ 2.82   | \$ 2.99   |
| 4 - 10                                          | \$ 3.14   |  | \$ 3.33   | \$ 3.53   | \$ 3.74   | \$ 3.96   |
| 11 - 20                                         | \$ 6.22   |  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 21 - 30                                         | \$ 9.37   |  | \$ 9.93   | \$ 10.53  | \$ 11.16  | \$ 11.83  |
| 31 - 40                                         | \$ 12.49  |  | \$ 13.24  | \$ 14.03  | \$ 14.87  | \$ 15.76  |
| Over 40                                         | \$ 22.24  |  | \$ 23.57  | \$ 24.98  | \$ 26.48  | \$ 28.07  |

| RESIDENTIAL PWRI/AWS SURCHARGE POTABLE WATER |           |  |           |           |           |           |
|----------------------------------------------|-----------|--|-----------|-----------|-----------|-----------|
| Effective Date                               | 10/1/2026 |  | 10/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                | 31.25%    |  | 23.81%    | 19.23%    | 16.13%    | 13.89%    |
| Usage Charge/ 1,000 gallons on all usage     | \$ 1.05   |  | \$ 1.30   | \$ 1.55   | \$ 1.80   | \$ 2.05   |

| RESIDENTIAL WASTEWATER RATES                      |           |  |           |           |           |           |
|---------------------------------------------------|-----------|--|-----------|-----------|-----------|-----------|
| Effective Date                                    | 10/1/2026 |  | 10/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                     | 6.00%     |  | 6.00%     | 6.00%     | 6.00%     | 6.00%     |
| Base Charge                                       | \$ 43.05  |  | \$ 45.63  | \$ 48.37  | \$ 51.27  | \$ 54.35  |
| Usage per thousand gallons<br>up to 7,000 gallons | \$ 7.72   |  | \$ 8.18   | \$ 8.67   | \$ 9.19   | \$ 9.74   |

| RESIDENTIAL RECLAIMED WATER RATES               |           |          |           |           |           |           |
|-------------------------------------------------|-----------|----------|-----------|-----------|-----------|-----------|
| Effective Date                                  | 10/1/2026 | 4/1/2027 | 10/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                   | 50.00%    | 33.00%   | 6.00%     | 6.00%     | 6.00%     | 6.00%     |
| Reclaimed Water Base Charge                     | \$ 6.30   | \$ 8.40  | \$ 8.90   | \$ 9.43   | \$ 10.00  | \$ 10.60  |
| Usage Block Ranges<br>(in thousands of gallons) |           |          |           |           |           |           |
| 0 - 20                                          | \$ 2.12   | \$ 2.82  | \$ 2.99   | \$ 3.17   | \$ 3.36   | \$ 3.56   |
| 21 - 30                                         | \$ 5.22   | \$ 6.22  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 31 - 40                                         | \$ 8.45   | \$ 11.26 | \$ 11.94  | \$ 12.66  | \$ 13.42  | \$ 14.23  |
| Over 40                                         | \$ 12.68  | \$ 16.90 | \$ 17.91  | \$ 18.98  | \$ 20.12  | \$ 21.33  |

| RESIDENTIAL PWRI/AWS SURCHARGE RECLAIMED WATER |           |  |           |           |           |           |
|------------------------------------------------|-----------|--|-----------|-----------|-----------|-----------|
| Effective Date                                 | 10/1/2026 |  | 10/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                  | 31.25%    |  | 23.81%    | 19.23%    | 16.13%    | 13.89%    |
| Usage Charge/ 1,000 gallons on all usage       | \$ 1.05   |  | \$ 1.30   | \$ 1.55   | \$ 1.80   | \$ 2.05   |

# EXHIBIT "A"

## POLK COUNTY UTILITIES DIVISION SCHEDULE OF RATES, CHARGES AND FEES

| COMMERCIAL AND MULTI-FAMILY WATER RATES                             |           |  |           |           |           |           |
|---------------------------------------------------------------------|-----------|--|-----------|-----------|-----------|-----------|
| Effective Date                                                      | 10/1/2026 |  | 10/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                                       | 6.00%     |  | 6.00%     | 6.00%     | 6.00%     | 6.00%     |
| <b>5/8" &amp; 3/4" Base Charge</b>                                  |           |  |           |           |           |           |
| 5/8" & 3/4" Base Charge                                             | \$ 18.65  |  | \$ 19.77  | \$ 20.96  | \$ 22.22  | \$ 23.55  |
| <b>5/8" &amp; 3/4" Usage Block Ranges (in thousands of gallons)</b> |           |  |           |           |           |           |
| 0 - 15                                                              | \$ 3.14   |  | \$ 3.33   | \$ 3.53   | \$ 3.74   | \$ 3.96   |
| 16 - 30                                                             | \$ 6.22   |  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 31 - 60                                                             | \$ 12.49  |  | \$ 13.24  | \$ 14.03  | \$ 14.87  | \$ 15.76  |
| over 60                                                             | \$ 21.88  |  | \$ 23.19  | \$ 24.58  | \$ 26.05  | \$ 27.61  |
| <b>1" Base Charge</b>                                               |           |  |           |           |           |           |
| 1" Base Charge                                                      | \$ 31.08  |  | \$ 32.94  | \$ 34.92  | \$ 37.02  | \$ 39.24  |
| <b>1" Usage Block Ranges (in thousands of gallons)</b>              |           |  |           |           |           |           |
| 0 - 25                                                              | \$ 3.14   |  | \$ 3.33   | \$ 3.53   | \$ 3.74   | \$ 3.96   |
| 26 - 50                                                             | \$ 6.22   |  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 51 - 100                                                            | \$ 12.49  |  | \$ 13.24  | \$ 14.03  | \$ 14.87  | \$ 15.76  |
| over 100                                                            | \$ 21.88  |  | \$ 23.19  | \$ 24.58  | \$ 26.05  | \$ 27.61  |
| <b>1-1/2" Base Charge</b>                                           |           |  |           |           |           |           |
| 1-1/2" Base Charge                                                  | \$ 62.14  |  | \$ 65.87  | \$ 69.82  | \$ 74.01  | \$ 78.45  |
| <b>1-1/2" Usage Block Ranges (in thousands of gallons)</b>          |           |  |           |           |           |           |
| 0 - 50                                                              | \$ 3.14   |  | \$ 3.33   | \$ 3.53   | \$ 3.74   | \$ 3.96   |
| 51 - 100                                                            | \$ 6.22   |  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 101 - 200                                                           | \$ 12.49  |  | \$ 13.24  | \$ 14.03  | \$ 14.87  | \$ 15.76  |
| over 200                                                            | \$ 21.88  |  | \$ 23.19  | \$ 24.58  | \$ 26.05  | \$ 27.61  |
| <b>2" Base Charge</b>                                               |           |  |           |           |           |           |
| 2" Base Charge                                                      | \$ 99.43  |  | \$ 105.40 | \$ 111.72 | \$ 118.42 | \$ 125.53 |
| <b>2" Usage Block Ranges (in thousands of gallons)</b>              |           |  |           |           |           |           |
| 0 - 80                                                              | \$ 3.14   |  | \$ 3.33   | \$ 3.53   | \$ 3.74   | \$ 3.96   |
| 81 - 160                                                            | \$ 6.22   |  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 161 - 320                                                           | \$ 12.49  |  | \$ 13.24  | \$ 14.03  | \$ 14.87  | \$ 15.76  |
| over 320                                                            | \$ 21.88  |  | \$ 23.19  | \$ 24.58  | \$ 26.05  | \$ 27.61  |
| <b>3" Base Charge</b>                                               |           |  |           |           |           |           |
| 3" Base Charge                                                      | \$ 186.38 |  | \$ 197.56 | \$ 209.41 | \$ 221.97 | \$ 235.29 |
| <b>3" Usage Block Ranges (in thousands of gallons)</b>              |           |  |           |           |           |           |
| 0 - 150                                                             | \$ 3.14   |  | \$ 3.33   | \$ 3.53   | \$ 3.74   | \$ 3.96   |
| 151 - 300                                                           | \$ 6.22   |  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 301 - 600                                                           | \$ 12.49  |  | \$ 13.24  | \$ 14.03  | \$ 14.87  | \$ 15.76  |
| over 600                                                            | \$ 21.88  |  | \$ 23.19  | \$ 24.58  | \$ 26.05  | \$ 27.61  |
| <b>4" Base Charge</b>                                               |           |  |           |           |           |           |
| 4" Base Charge                                                      | \$ 310.68 |  | \$ 329.32 | \$ 349.08 | \$ 370.02 | \$ 392.22 |
| <b>4" Usage Block Ranges (in thousands of gallons)</b>              |           |  |           |           |           |           |
| 0 - 250                                                             | \$ 3.14   |  | \$ 3.33   | \$ 3.53   | \$ 3.74   | \$ 3.96   |
| 251 - 500                                                           | \$ 6.22   |  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 501 - 1,000                                                         | \$ 12.49  |  | \$ 13.24  | \$ 14.03  | \$ 14.87  | \$ 15.76  |
| over 1,000                                                          | \$ 21.88  |  | \$ 23.19  | \$ 24.58  | \$ 26.05  | \$ 27.61  |
| <b>6" Base Charge</b>                                               |           |  |           |           |           |           |
| 6" Base Charge                                                      | \$ 621.32 |  | \$ 658.60 | \$ 698.12 | \$ 740.01 | \$ 784.41 |
| <b>6" Usage Block Ranges (in thousands of gallons)</b>              |           |  |           |           |           |           |
| 0 - 500                                                             | \$ 3.14   |  | \$ 3.33   | \$ 3.53   | \$ 3.74   | \$ 3.96   |
| 501 - 1,000                                                         | \$ 6.22   |  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 1,001 - 2,000                                                       | \$ 12.49  |  | \$ 13.24  | \$ 14.03  | \$ 14.87  | \$ 15.76  |
| over 2,000                                                          | \$ 21.88  |  | \$ 23.19  | \$ 24.58  | \$ 26.05  | \$ 27.61  |

# EXHIBIT "A"

## POLK COUNTY UTILITIES DIVISION SCHEDULE OF RATES, CHARGES AND FEES

| COMMERCIAL AND MULTI-FAMILY WATER RATES          |             |  |             |             |             |             |
|--------------------------------------------------|-------------|--|-------------|-------------|-------------|-------------|
| Effective Date                                   | 10/1/2026   |  | 10/1/2027   | 10/1/2028   | 10/1/2029   | 10/1/2030   |
| Indexing Rate                                    | 6.00%       |  | 6.00%       | 6.00%       | 6.00%       | 6.00%       |
| 8" Base Charge                                   | \$ 994.14   |  | \$ 1,053.79 | \$ 1,117.02 | \$ 1,184.04 | \$ 1,255.08 |
| 8" Usage Block Ranges (in thousands of gallons)  |             |  |             |             |             |             |
| 0 - 800                                          | \$ 3.14     |  | \$ 3.33     | \$ 3.53     | \$ 3.74     | \$ 3.96     |
| 801 - 1,600                                      | \$ 6.22     |  | \$ 6.59     | \$ 6.99     | \$ 7.41     | \$ 7.85     |
| 1,601 - 3,200                                    | \$ 12.49    |  | \$ 13.24    | \$ 14.03    | \$ 14.87    | \$ 15.76    |
| over 3,200                                       | \$ 21.88    |  | \$ 23.19    | \$ 24.58    | \$ 26.05    | \$ 27.61    |
| 10" Base Charge                                  | \$ 1,429.07 |  | \$ 1,514.81 | \$ 1,605.70 | \$ 1,702.04 | \$ 1,804.16 |
| 10" Usage Block Ranges (in thousands of gallons) |             |  |             |             |             |             |
| 0 - 1,150                                        | \$ 3.14     |  | \$ 3.33     | \$ 3.53     | \$ 3.74     | \$ 3.96     |
| 1,151 - 2,300                                    | \$ 6.22     |  | \$ 6.59     | \$ 6.99     | \$ 7.41     | \$ 7.85     |
| 2,301 - 4,600                                    | \$ 12.49    |  | \$ 13.24    | \$ 14.03    | \$ 14.87    | \$ 15.76    |
| over 4,600                                       | \$ 21.88    |  | \$ 23.19    | \$ 24.58    | \$ 26.05    | \$ 27.61    |
| 12" Base Charge                                  | \$ 2,673.45 |  | \$ 2,833.86 | \$ 3,003.89 | \$ 3,184.12 | \$ 3,375.17 |
| 12" Usage Block Ranges (in thousands of gallons) |             |  |             |             |             |             |
| 0 - 2,150                                        | \$ 3.14     |  | \$ 3.33     | \$ 3.53     | \$ 3.74     | \$ 3.96     |
| 2,151 - 4,300                                    | \$ 6.22     |  | \$ 6.59     | \$ 6.99     | \$ 7.41     | \$ 7.85     |
| 4,301 - 8,600                                    | \$ 12.49    |  | \$ 13.24    | \$ 14.03    | \$ 14.87    | \$ 15.76    |
| over 8,600                                       | \$ 21.88    |  | \$ 23.19    | \$ 24.58    | \$ 26.05    | \$ 27.61    |

| COMMERCIAL AND MULTI-FAMILY PWRI/AWS SURCHARGE POTABLE WATER |           |  |           |           |           |           |
|--------------------------------------------------------------|-----------|--|-----------|-----------|-----------|-----------|
| Effective Date                                               | 10/1/2026 |  | 10/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                                | 31.25%    |  | 23.81%    | 19.23%    | 16.13%    | 13.89%    |
| Usage Charge/ 1,000 gallons on all usage                     | \$ 1.05   |  | \$ 1.30   | \$ 1.55   | \$ 1.80   | \$ 2.05   |

| COMMERCIAL WASTEWATER RATES    |             |  |             |              |              |              |
|--------------------------------|-------------|--|-------------|--------------|--------------|--------------|
| Effective Date                 | 10/1/2026   |  | 10/1/2027   | 10/1/2028    | 10/1/2029    | 10/1/2030    |
| Indexing Rate                  | 6.00%       |  | 6.00%       | 6.00%        | 6.00%        | 6.00%        |
| Base Charge 5/8" & 3/4" Meter  | \$ 64.55    |  | \$ 68.42    | \$ 72.53     | \$ 76.88     | \$ 81.49     |
| Base Charge 1" Meter           | \$ 107.60   |  | \$ 114.06   | \$ 120.90    | \$ 128.15    | \$ 135.84    |
| Base Charge 1-1/2" Meter       | \$ 215.17   |  | \$ 228.08   | \$ 241.76    | \$ 256.27    | \$ 271.65    |
| Base Charge 2" Meter           | \$ 344.30   |  | \$ 364.96   | \$ 386.86    | \$ 410.07    | \$ 434.67    |
| Base Charge 3" Meter           | \$ 645.56   |  | \$ 684.29   | \$ 725.35    | \$ 768.87    | \$ 815.00    |
| Base Charge 4" Meter           | \$ 1,075.93 |  | \$ 1,140.49 | \$ 1,208.92  | \$ 1,281.46  | \$ 1,358.35  |
| Base Charge 6" Meter           | \$ 2,151.88 |  | \$ 2,280.99 | \$ 2,417.85  | \$ 2,562.92  | \$ 2,716.70  |
| Base Charge 8" Meter           | \$ 3,443.00 |  | \$ 3,649.58 | \$ 3,868.55  | \$ 4,100.66  | \$ 4,346.70  |
| Base Charge 10" Meter          | \$ 4,949.30 |  | \$ 5,246.26 | \$ 5,561.04  | \$ 5,894.70  | \$ 6,248.38  |
| Base Charge 12" Meter          | \$ 9,252.87 |  | \$ 9,808.04 | \$ 10,396.52 | \$ 11,020.31 | \$ 11,681.53 |
| Usage Charge Per 1,000 Gallons | \$ 7.72     |  | \$ 8.18     | \$ 8.67      | \$ 9.19      | \$ 9.74      |

# EXHIBIT "A"

## POLK COUNTY UTILITIES DIVISION SCHEDULE OF RATES, CHARGES AND FEES

| COMMERCIAL AND MULTIFAMILY RECLAIMED WATER RATES |           |          |           |           |           |           |
|--------------------------------------------------|-----------|----------|-----------|-----------|-----------|-----------|
| Effective Date                                   | 10/1/2026 | 4/1/2027 | 10/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                    | 50.00%    | 33.00%   | 6.00%     | 6.00%     | 6.00%     | 6.00%     |
| 5/8 Inch & 3/4 Inch Rate                         |           |          |           |           |           |           |
| Reclaimed Water Base Charge                      | \$ 9.45   | \$ 12.60 | \$ 13.36  | \$ 14.16  | \$ 15.01  | \$ 15.91  |
| Usage Block Ranges (in thousands of gallons)     |           |          |           |           |           |           |
| 0 - 30                                           | \$ 2.12   | \$ 2.82  | \$ 2.99   | \$ 3.17   | \$ 3.36   | \$ 3.56   |
| 31 - 45                                          | \$ 5.22   | \$ 6.22  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 46 - 60                                          | \$ 8.45   | \$ 11.26 | \$ 11.94  | \$ 12.66  | \$ 13.42  | \$ 14.23  |
| Over 60                                          | \$ 12.68  | \$ 16.90 | \$ 17.91  | \$ 18.98  | \$ 20.12  | \$ 21.33  |
| 1 Inch Rate                                      |           |          |           |           |           |           |
| Reclaimed Water Base Charge                      | \$ 15.75  | \$ 21.00 | \$ 22.26  | \$ 23.60  | \$ 25.02  | \$ 26.52  |
| Usage Block Ranges (in thousands of gallons)     |           |          |           |           |           |           |
| 0 - 50                                           | \$ 2.12   | \$ 2.82  | \$ 2.99   | \$ 3.17   | \$ 3.36   | \$ 3.56   |
| 51 - 75                                          | \$ 5.22   | \$ 6.22  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 71 - 100                                         | \$ 8.45   | \$ 11.26 | \$ 11.94  | \$ 12.66  | \$ 13.42  | \$ 14.23  |
| Over 100                                         | \$ 12.68  | \$ 16.90 | \$ 17.91  | \$ 18.98  | \$ 20.12  | \$ 21.33  |
| 1.5 Inch Rate                                    |           |          |           |           |           |           |
| Reclaimed Water Base Charge                      | \$ 31.50  | \$ 42.00 | \$ 44.52  | \$ 47.19  | \$ 50.02  | \$ 53.02  |
| Usage Block Ranges (in thousands of gallons)     |           |          |           |           |           |           |
| 0 - 100                                          | \$ 2.12   | \$ 2.82  | \$ 2.99   | \$ 3.17   | \$ 3.36   | \$ 3.56   |
| 101 - 150                                        | \$ 5.22   | \$ 6.22  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 151 - 200                                        | \$ 8.45   | \$ 11.26 | \$ 11.94  | \$ 12.66  | \$ 13.42  | \$ 14.23  |
| Over 200                                         | \$ 12.68  | \$ 16.90 | \$ 17.91  | \$ 18.98  | \$ 20.12  | \$ 21.33  |
| 2 Inch Rate                                      |           |          |           |           |           |           |
| Reclaimed Water Base Charge                      | \$ 50.40  | \$ 67.20 | \$ 71.23  | \$ 75.50  | \$ 80.03  | \$ 84.83  |
| Usage Block Ranges (in thousands of gallons)     |           |          |           |           |           |           |
| 0 - 160                                          | \$ 2.12   | \$ 2.82  | \$ 2.99   | \$ 3.17   | \$ 3.36   | \$ 3.56   |
| 161 - 240                                        | \$ 5.22   | \$ 6.22  | \$ 6.59   | \$ 6.99   | \$ 7.41   | \$ 7.85   |
| 241 - 320                                        | \$ 8.45   | \$ 11.26 | \$ 11.94  | \$ 12.66  | \$ 13.42  | \$ 14.23  |
| Over 320                                         | \$ 12.68  | \$ 16.90 | \$ 17.91  | \$ 18.98  | \$ 20.12  | \$ 21.33  |

| BULK USE RECLAIMED WATER              |             |             |             |             |             |             |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Effective Date                        | 10/1/2026   | 4/1/2027    | 10/1/2027   | 10/1/2028   | 10/1/2029   | 10/1/2030   |
| Indexing Rate                         | 50.00%      | 33.00%      | 6.00%       | 6.00%       | 6.00%       | 6.00%       |
| Bulk Use Reclaimed Water Base Charges |             |             |             |             |             |             |
| Base charge 3 inch meter              | \$ 94.50    | \$ 126.00   | \$ 133.56   | \$ 141.57   | \$ 150.06   | \$ 159.06   |
| Base charge 4 inch meter              | \$ 157.50   | \$ 210.00   | \$ 222.60   | \$ 235.96   | \$ 250.12   | \$ 265.13   |
| Base charge 6 inch meter              | \$ 315.00   | \$ 420.00   | \$ 445.20   | \$ 471.91   | \$ 500.22   | \$ 530.23   |
| Base charge 8 inch meter              | \$ 504.00   | \$ 672.00   | \$ 712.32   | \$ 755.06   | \$ 800.36   | \$ 848.38   |
| Base charge 10 inch meter             | \$ 724.50   | \$ 966.00   | \$ 1,023.96 | \$ 1,085.40 | \$ 1,150.52 | \$ 1,219.55 |
| Base charge 12 inch meter             | \$ 1,354.50 | \$ 1,806.00 | \$ 1,914.36 | \$ 2,029.22 | \$ 2,150.97 | \$ 2,280.03 |
| Bulk Priority 3 inch and above        | \$ 2.12     | \$ 2.82     | \$ 2.99     | \$ 3.17     | \$ 3.36     | \$ 3.56     |
| Bulk Interruptible 3 inch and above   | \$ 1.06     | \$ 1.41     | \$ 1.49     | \$ 1.58     | \$ 1.67     | \$ 1.77     |

| COMMERCIAL AND MULTI-FAMILY PWRI/AWS SURCHARGE RECLAIMED WATER |           |  |           |           |           |           |
|----------------------------------------------------------------|-----------|--|-----------|-----------|-----------|-----------|
| Effective Date                                                 | 10/1/2026 |  | 10/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                                  | 31.25%    |  | 23.81%    | 19.23%    | 16.13%    | 13.89%    |
| Usage Charge/ 1,000 gallons on all usage                       | \$ 1.05   |  | \$ 1.30   | \$ 1.55   | \$ 1.80   | \$ 2.05   |

# EXHIBIT "A"

## POLK COUNTY UTILITIES DIVISION SCHEDULE OF RATES, CHARGES AND FEES

| SERVICE FEES AND DEPOSITS                                              |                                                         |  |             |             |             |             |
|------------------------------------------------------------------------|---------------------------------------------------------|--|-------------|-------------|-------------|-------------|
| Effective Date                                                         | 10/1/2026                                               |  | 10/1/2027   | 10/1/2028   | 10/1/2029   | 10/1/2030   |
| Indexing Rate                                                          | 0.00%                                                   |  | 0.00%       | 0.00%       | 0.00%       | 0.00%       |
| New Account Charge                                                     |                                                         |  |             |             |             |             |
| 3/4" - 2" meter                                                        | \$ 55.00                                                |  | \$ 55.00    | \$ 55.00    | \$ 55.00    | \$ 55.00    |
| Larger than 2" meter                                                   | \$ 70.00                                                |  | \$ 70.00    | \$ 70.00    | \$ 70.00    | \$ 70.00    |
| Deposit                                                                |                                                         |  |             |             |             |             |
| Residential                                                            |                                                         |  |             |             |             |             |
| Water                                                                  | \$ 90.00                                                |  | \$ 90.00    | \$ 90.00    | \$ 90.00    | \$ 90.00    |
| Sewer                                                                  | \$ 210.00                                               |  | \$ 210.00   | \$ 210.00   | \$ 210.00   | \$ 210.00   |
| Combined                                                               | \$ 300.00                                               |  | \$ 300.00   | \$ 300.00   | \$ 300.00   | \$ 300.00   |
| Commercial                                                             |                                                         |  |             |             |             |             |
| Water                                                                  | 2.5 X Estimated Monthly Bill                            |  |             |             |             |             |
| Sewer                                                                  | 2.5 X Estimated Monthly Bill                            |  |             |             |             |             |
| Combined                                                               | 2.5 X Estimated Monthly Bill                            |  |             |             |             |             |
| Same Day Service (During Business Hours)                               | \$ 60.00                                                |  | \$ 60.00    | \$ 60.00    | \$ 60.00    | \$ 60.00    |
| Same Day Service (After Hours Service)                                 | \$ 80.00                                                |  | \$ 80.00    | \$ 80.00    | \$ 80.00    | \$ 80.00    |
| Return Check or Draft                                                  | As Established by Polk County Clerk of Courts by policy |  |             |             |             |             |
| Checks \$50 or less                                                    |                                                         |  |             |             |             |             |
| Checks \$51-\$300                                                      |                                                         |  |             |             |             |             |
| Checks \$301 or more                                                   |                                                         |  |             |             |             |             |
| Premise Visit Charge                                                   | \$ 60.00                                                |  | \$ 60.00    | \$ 60.00    | \$ 60.00    | \$ 60.00    |
| Disconnect for Nonpayment                                              |                                                         |  |             |             |             |             |
| Less than 2" Meter                                                     | \$ 60.00                                                |  | \$ 60.00    | \$ 60.00    | \$ 60.00    | \$ 60.00    |
| 2" Meter and above                                                     | \$ 105.00                                               |  | \$ 105.00   | \$ 105.00   | \$ 105.00   | \$ 105.00   |
| Service Restoration/Reconnection Charge                                |                                                         |  |             |             |             |             |
| Less than 2" meter                                                     | \$ 60.00                                                |  | \$ 60.00    | \$ 60.00    | \$ 60.00    | \$ 60.00    |
| 2" Meter and above                                                     | \$ 105.00                                               |  | \$ 105.00   | \$ 105.00   | \$ 105.00   | \$ 105.00   |
| Meter Installation/Reinstallation Charge                               |                                                         |  |             |             |             |             |
| 3/4" Meter                                                             | \$ 800.00                                               |  | \$ 800.00   | \$ 800.00   | \$ 800.00   | \$ 800.00   |
| 1" Meter                                                               | \$ 1,075.00                                             |  | \$ 1,075.00 | \$ 1,075.00 | \$ 1,075.00 | \$ 1,075.00 |
| 1-1/2" Meter                                                           | \$ 1,850.00                                             |  | \$ 1,850.00 | \$ 1,850.00 | \$ 1,850.00 | \$ 1,850.00 |
| 2" Meter                                                               | \$ 2,250.00                                             |  | \$ 2,250.00 | \$ 2,250.00 | \$ 2,250.00 | \$ 2,250.00 |
| Larger than 2" meter                                                   | Actual Cost                                             |  | Actual Cost | Actual Cost | Actual Cost | Actual Cost |
| Temporary Meter Installation                                           |                                                         |  |             |             |             |             |
| 2" Meter On Hydrant                                                    | \$ 250.00                                               |  | \$ 250.00   | \$ 250.00   | \$ 250.00   | \$ 250.00   |
| Installation requiring Line Tap                                        | \$ 675.00                                               |  | \$ 675.00   | \$ 675.00   | \$ 675.00   | \$ 675.00   |
| Meter Test Charge (Field Test)                                         |                                                         |  |             |             |             |             |
| Less than 2" Meter                                                     | \$ 90.00                                                |  | \$ 90.00    | \$ 90.00    | \$ 90.00    | \$ 90.00    |
| 2" Meter and above                                                     | Actual Cost                                             |  | Actual Cost | Actual Cost | Actual Cost | Actual Cost |
| (This fee is waived if meter is not registering within AWWA standards) |                                                         |  |             |             |             |             |

## EXHIBIT "A"

### POLK COUNTY UTILITIES DIVISION SCHEDULE OF RATES, CHARGES AND FEES

|                                               |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Effective Date                                | 10/1/2026                                                                                                                                                                   |  | 10/1/2027                                                                | 10/1/2028                                                                | 10/1/2029                                                                | 10/1/2030                                                                |
| Indexing Rate                                 | 0.00%                                                                                                                                                                       |  | 0.00%                                                                    | 0.00%                                                                    | 0.00%                                                                    | 0.00%                                                                    |
| Meter Tampering/Theft of Service Fee          |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
| 1st Infraction                                | \$ 250.00                                                                                                                                                                   |  | \$ 250.00                                                                | \$ 250.00                                                                | \$ 250.00                                                                | \$ 250.00                                                                |
| 2nd Infraction                                | \$ 500.00                                                                                                                                                                   |  | \$ 500.00                                                                | \$ 500.00                                                                | \$ 500.00                                                                | \$ 500.00                                                                |
| 3rd Infraction                                | \$ 1,000.00                                                                                                                                                                 |  | \$ 1,000.00                                                              | \$ 1,000.00                                                              | \$ 1,000.00                                                              | \$ 1,000.00                                                              |
| Obscured Meter Fee                            |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
|                                               | \$ 60.00                                                                                                                                                                    |  | \$ 60.00                                                                 | \$ 60.00                                                                 | \$ 60.00                                                                 | \$ 60.00                                                                 |
| Cross Connection Fee                          |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
|                                               | \$ 500.00                                                                                                                                                                   |  | \$ 500.00                                                                | \$ 500.00                                                                | \$ 500.00                                                                | \$ 500.00                                                                |
| Surcharge for High Strength Industrial Wastes | Shall be calculated and/or applied pursuant to Industrial Wastewater Pretreatment Policy Manual 6 ( E ) contained in Polk County Utilities Code Ordinance 10-081 as amended |  |                                                                          |                                                                          |                                                                          |                                                                          |
| Damage to Utility Main or Other Property      |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
|                                               | Actual Cost to repair and estimated water loss plus \$1,000.00.                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
| Relocate Meter                                |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
| Less than 2" Meter                            | \$ 250.00                                                                                                                                                                   |  | \$ 250.00                                                                | \$ 250.00                                                                | \$ 251.00                                                                | \$ 252.00                                                                |
| 2" Meter and above                            | Actual Cost                                                                                                                                                                 |  | Actual Cost                                                              | Actual Cost                                                              | Actual Cost                                                              | Actual Cost                                                              |
| Water Audit                                   |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
|                                               | \$75.00                                                                                                                                                                     |  | \$75.00                                                                  | \$75.00                                                                  | \$75.00                                                                  | \$75.00                                                                  |
| Reclaimed Water Follow-up Inspection          |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
|                                               | \$75.00                                                                                                                                                                     |  | \$75.00                                                                  | \$75.00                                                                  | \$75.00                                                                  | \$75.00                                                                  |
| Late Payment                                  | \$6 or 5% of balance due, whichever is greater, on balances over \$14.99                                                                                                    |  | \$6 or 5% of balance due, whichever is greater, on balances over \$14.99 | \$6 or 5% of balance due, whichever is greater, on balances over \$14.99 | \$6 or 5% of balance due, whichever is greater, on balances over \$14.99 | \$6 or 5% of balance due, whichever is greater, on balances over \$14.99 |
| Backflow test (Municipal Charge)              |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
| 3/4' to 2" Meter                              | \$125.00                                                                                                                                                                    |  | \$125.00                                                                 | \$125.00                                                                 | \$125.00                                                                 | \$125.00                                                                 |
| Larger than 2" Meter                          | Actual Cost                                                                                                                                                                 |  | Actual Cost                                                              | Actual Cost                                                              | Actual Cost                                                              | Actual Cost                                                              |
| Septage Processing Fee                        |                                                                                                                                                                             |  |                                                                          |                                                                          |                                                                          |                                                                          |
| Rate per gallon                               | \$0.15/gallon                                                                                                                                                               |  | \$0.15/gallon                                                            | \$0.15/gallon                                                            | \$0.15/gallon                                                            | \$0.15/gallon                                                            |

## EXHIBIT "A"

### POLK COUNTY UTILITIES DIVISION SCHEDULE OF RATES, CHARGES AND FEES

| RESIDENTIAL CONNECTION CHARGES                                             |           |  |          |           |           |           |
|----------------------------------------------------------------------------|-----------|--|----------|-----------|-----------|-----------|
| Effective Date                                                             | 10/1/2026 |  | 1/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                                              | 0%        |  | 31.3%    | 0%        | 0%        | 0%        |
| WATER CONNECTION CHARGES                                                   |           |  |          |           |           |           |
| Type of Residence                                                          |           |  |          |           |           |           |
| Single Family Detached Units on Lots of 1.0 Acre or Less                   | \$ 3,038  |  | \$ 3,989 | \$ 3,989  | \$ 3,989  | \$ 3,989  |
| Single Family Detached Units on Lots of More than 1.0 Usable Acre          | \$ 3,038  |  | \$ 3,989 | \$ 3,989  | \$ 3,989  | \$ 3,989  |
| Multi-family Units Including Apartments, Condos, Duplexes, Triplexes, etc. | \$ 1,671  |  | \$ 2,194 | \$ 2,194  | \$ 2,194  | \$ 2,194  |
| Mobile Homes on Lots of Less Than 6000 Square Feet                         | \$ 1,823  |  | \$ 2,393 | \$ 2,393  | \$ 2,393  | \$ 2,393  |
| Mobile Homes on Lots of 6000 Square Feet or More                           | \$ 3,038  |  | \$ 3,989 | \$ 3,989  | \$ 3,989  | \$ 3,989  |
| Park Model RVs                                                             | \$ 1,671  |  | \$ 2,194 | \$ 2,194  | \$ 2,194  | \$ 2,194  |
| Destination RVs *                                                          | \$ 1,671  |  | \$ 2,194 | \$ 2,194  | \$ 2,194  | \$ 2,194  |
| All other RVs Including Transient RVs                                      | \$ 1,671  |  | \$ 2,194 | \$ 2,194  | \$ 2,194  | \$ 2,194  |

| WASTEWATER CONNECTION CHARGES                                              |           |  |          |           |           |           |
|----------------------------------------------------------------------------|-----------|--|----------|-----------|-----------|-----------|
| Effective Date                                                             | 10/1/2026 |  | 1/1/2027 | 10/1/2028 | 10/1/2029 | 10/1/2030 |
| Indexing Rate                                                              | 0%        |  | 20.9%    | 0%        | 0%        | 0%        |
| Type of Residence                                                          |           |  |          |           |           |           |
| Single Family Detached Units on Lots of 1.0 Acre or Less                   | \$ 6,169  |  | \$ 7,460 | \$ 7,460  | \$ 7,460  | \$ 7,460  |
| Single Family Detached Units on Lots of More than 1.0 Usable Acre          | \$ 6,169  |  | \$ 7,460 | \$ 7,460  | \$ 7,460  | \$ 7,460  |
| Multi-family Units Including Apartments, Condos, Duplexes, Triplexes, etc. | \$ 4,132  |  | \$ 4,997 | \$ 4,997  | \$ 4,997  | \$ 4,997  |
| Mobile Homes on Lots of Less Than 6000 Square Feet                         | \$ 4,132  |  | \$ 4,997 | \$ 4,997  | \$ 4,997  | \$ 4,997  |
| Mobile Homes on Lots of 6000 Square Feet or More                           | \$ 6,169  |  | \$ 7,460 | \$ 7,460  | \$ 7,460  | \$ 7,460  |
| Park Model RVs                                                             | \$ 3,393  |  | \$ 4,103 | \$ 4,103  | \$ 4,103  | \$ 4,103  |
| Destination RVs *                                                          | \$ 4,132  |  | \$ 4,997 | \$ 4,997  | \$ 4,997  | \$ 4,997  |
| All other RVs Including Transient RVs                                      | \$ 6,169  |  | \$ 7,460 | \$ 7,460  | \$ 7,460  | \$ 7,460  |

**\*NOTE:**

A Destination RV must be: (1) Sited on a lot owned in fee simple by the user; (2) Sited in a park that is a platted subdivision; (3) Sited on a lot 3,000 square feet or larger; and (4) Sited in a park that does not have a dump station or undivided interest lot sales or time share lot sales. This category of user is subject to inspection by Polk County Utilities to ensure that Destination RVs are not transient RVs. Destination RV lots used by Transient RVs will be subject to a 1.0 ERC sewer connection charge.

| COMMERCIAL CONNECTION CHARGES                                                                                                                                                                                                                                                                                                                 |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <b>Water Connection Charges</b>                                                                                                                                                                                                                                                                                                               |  |
| Commercial Water Connection charges will be assessed on projected daily usage, in accordance with the Polk County Utilities Code, divided by 250 gallons to calculate the Equivalent Residential Connection (ERC). This ERC will be multiplied by connection charge assessed for a single Family Detached Unit on lots one acre or less.      |  |
| <b>Wastewater Connection Charges</b>                                                                                                                                                                                                                                                                                                          |  |
| Commercial Wastewater Connection charges will be assessed on projected daily usage, in accordance with the Polk County Utilities Code, divided by 200 gallons to calculate the Equivalent Residential Connection (ERC). This ERC will be multiplied by connection charge assessed for a single Family Detached Unit on lots one acre or less. |  |



## EXHIBIT “B”

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Annual reestablishment of price  
increase or decrease index of major categories  
of operating costs incurred by water and  
wastewater utilities pursuant to Section  
367.081(4)(a), F.S.

DOCKET NO. 20250005-WS  
ORDER NO. PSC-2025-0453-PAA-WS  
ISSUED: December 15, 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 ESTABLISHING 2026 PRICE INDEX FOR  
WATER AND WASTEWATER UTILITIES

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature 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.).

Background

Since March 31, 1981, pursuant to the guidelines established by Section 367.081(4)(a), Florida Statutes (F.S.), and Rule 25-30.420, F.A.C., we have established a price increase or decrease index for major categories of operating costs on or before March 31 of each year. This process allows water and wastewater utilities to adjust rates based on current specific expenses without applying for a rate case.

We calculated the proposed 2026 price index by using the Gross Domestic Product Implicit Price Deflator Index (GDPDEF) for the fiscal year ended June 30, 2025. Since March 31, 1981, we received and processed approximately 4,136 index and pass through applications.

We have jurisdiction over this matter pursuant to Section 367.081, F.S.

## Decision

### I. Price Level Adjustment Index

In 1993, the GDPDEF was established as the appropriate measure for determining the water and wastewater price index. At the same time, the convention of using a four quarter fiscal year comparison was also established and this practice has been used every year since then.<sup>1</sup> The GDPDEF is prepared by the United States (U.S.) Department of Commerce (USDOC) by its Bureau of Economic Analysis (BEA). Prior to that time, the Gross National Product Implicit Price Deflator Index (GNPDEF) was used as the indexing factor for water and wastewater utilities. The USDOC switched its emphasis from the GNPDEF to the GDPDEF as the primary measure of U.S. production.

Pursuant to Section 367.081(4)(a), F.S., by order, we shall establish a price increase or decrease index for major categories of operating costs incurred by utilities subject to our jurisdiction reflecting the percentage of increase or decrease in such costs from the most recent 12-month historical data available. Since 1995, the price index adjustment has been determined by comparing the change in the average GDPDEF for the year ending September 30, instead of the original December 31, in order to more easily meet the statutory deadline. The 2026 price index adjustment approved in this docket has been calculated using data for the year ending in June 30, 2025, due to issues with USDOC funding. Following the October 1, 2025 federal government shutdown, BEA halted economic research, and the GDPDEF has not been calculated or updated as of September 25, 2025. To maintain consistency of calculation, we used the twelve months, ending June 30, 2025, of most recently available data calculated by BEA prior to the shutdown.

By Order No. PSC-2024-0502-PAA-WS, issued December 17, 2024, in Docket No. 20240005-WS, in keeping with the practice started in 1993, we reiterated the alternatives which could be used to calculate the indexing of utility revenues. Past concerns expressed by utilities, as summarized from utility input in previous hearings, are:

- 1) Inflation should be a major factor in determining the index;
- 2) Nationally published indices should be vital to this determination;
- 3) Major categories of expenses are labor, chemicals, materials and supplies, maintenance, transportation, and treatment expense;
- 4) An area wage survey, Dodge Building Cost Index, Consumer Price Index, and the GDP should be considered;
- 5) A broad measure index should be used; and

---

<sup>1</sup> Order No. PSC-1993-0195-FOF-WS, issued February 9, 1993, in Docket No. 19930005-WS, *In re: Annual reestablishment of price increase or decrease index of major categories of operating costs incurred by water and wastewater utilities pursuant to Section 367.081(4)(a), F.S.*

- 6) The index procedure should be easy to administer.

Based upon these concerns, we previously explored the following alternatives:

- 1) Survey of Regulated Water and Wastewater Utilities;
- 2) Consumer Price Index;
- 3) Florida Price Level Index;
- 4) Producer Price Index (PPI) – previously the Wholesale Price Index; and
- 5) GDPDEF (replacing the GNPDEF).

Over the years, we rejected using the Survey of Regulated Water and Wastewater Utilities because using the results of a survey would allow utilities to pass on to customers all cost increases, thereby reducing the incentives of promoting efficiency and productivity. We have also rejected the Consumer Price Index and the Florida Price Level Index because of their limited degree of applicability to the water and wastewater industry. Both of these price indices are based upon comparing the advance in prices of a limited number of general goods and, therefore, appear to have limited application to water and wastewater activities.

The PPI is a family of indices that measure the average change over time in selling prices received by domestic producers of goods and services. We rejected using PPI because it measures price change from the perspective of the seller, not the purchaser. The bases for these indices have not changed, and the conclusions reached in Order PSC-2024-0502-PAA-WS continue to apply in this case. Since 1993, we have found that the GDPDEF has a greater degree of applicability to the water and wastewater industry. Therefore, we will continue to use the GDPDEF to calculate water and wastewater price level adjustments. We will calculate the 2026 Price Index by using a fiscal year, four quarter comparison of the GDPDEF ending with the second quarter of 2025.

The following information provides a historical perspective of the annual price index.

**Table 1**  
**Historical Analysis of the Annual Price Index for Water and Wastewater Utilities**

| <b>Year</b> | <b>Commission<br/>Approved Index</b> | <b>Year</b> | <b>Commission<br/>Approved Index</b> |
|-------------|--------------------------------------|-------------|--------------------------------------|
| 2015        | 1.57%                                | 2021        | 1.17%                                |
| 2016        | 1.29%                                | 2022        | 4.53%                                |
| 2017        | 1.51%                                | 2023        | 7.07%                                |
| 2018        | 1.79%                                | 2024        | 3.24%                                |
| 2019        | 2.36%                                | 2025        | 2.23%                                |
| 2020        | 1.79%                                | 2026        | 2.46%                                |

The table below shows the historical participation in the index and/or pass-through programs:

**Table 2**  
**Percentage of Jurisdictional Water and Wastewater Utilities Filing for Indexes and Pass-Throughs**

| <b>Year</b> | <b>Percentage</b> | <b>Year</b> | <b>Percentage</b> |
|-------------|-------------------|-------------|-------------------|
| 2014        | 39%               | 2020        | 43%               |
| 2015        | 49%               | 2021        | 52%               |
| 2016        | 38%               | 2022        | 57%               |
| 2017        | 37%               | 2023        | 53%               |
| 2018        | 42%               | 2024        | 36%               |
| 2019        | 60%               | 2025        | 56%               |

II. Rate for the 2025 Price Index

The USDOC BEA released the most recent second quarter 2025 figures on September 25, 2025. Historically, we used the third quarter amounts to establish the Price Index, which utilizes the most recent available data while allowing time for us to establish the 2026 Price Index by March 2026, in accordance with Section 367.081(4)(a), F.S. However, due to the aforementioned lack of data, we elected to use the second-quarter data, which satisfies Section 367.081(4)(a), F.S., under the requirement that the twelve months of most recently available data be used. The percentage change in the GDPDEF using the fiscal year comparison ending with the third quarter is 2.46 percent. This number was calculated as follows.

|                                                |                |
|------------------------------------------------|----------------|
| GDPDEF Index for the fiscal year ended 6/30/25 | 128.248        |
| GDPDEF Index for the fiscal year ended 6/30/24 | 125.167        |
| Difference                                     | 3.081          |
| Divided by 6/30/2024 GDPDEF Index              | <u>125.167</u> |
| 2026 Price Index                               | 2.46%          |

III. Noticing of Requirement

The package in Attachment 1, attached hereto, shall be sent to every regulated water and wastewater utility after the expiration of the proposed agency action (PAA) protest period, along with a copy of the PAA Order once final. The entire package shall also be made available on the our website.

In an effort to increase the number of water and wastewater utilities taking advantage of the annual price index and pass-through programs, Attachment 2 from the Director of the Division of Accounting and Finance shall be included with the PAA Order in order to explain the purpose of the index and pass-through applications and to communicate that our staff is available to assist them.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Gross Domestic Product Implicit Price Deflator Index shall be used in calculating price level adjustments. We calculate the 2026 Price Index by using a fiscal year, four quarter comparison of the Implicit Price Deflator Index ending with the second quarter of 2025. It is further

ORDERED that the 2026 Price Index for water and wastewater utilities shall be 2.46 percent. It is further

ORDERED that after the expiration of the Proposed Agency Action protest period established under Rule 25-22.029(1), F.A.C., the Division of Accounting and Finance shall send each regulated water and wastewater utility a copy of the PAA order establishing index containing the information presented in Attachment 1 along with a cover letter from the Director of the Division of Accounting and Finance. The entire package shall also be available on our website. It is further

ORDERED that that upon expiration of the 14-day protest period, if a timely protest is not received, the decision shall become final and effective upon the issuance of a Consummating Order. Any party filing a protest shall be required to prefile testimony with the protest. However, this docket shall remain open through the end of the year and be closed upon the establishment of the new docket in January 2025.

By ORDER of the Florida Public Service Commission this 15th day of December, 2025.

/s/ Adam J. Teitzman

ADAM J. TEITZMAN

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.

ZB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, 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 will be granted or result in the relief sought.

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.

The action proposed herein is preliminary in nature. 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 29, 2025.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

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

FLORIDA PUBLIC SERVICE COMMISSION  
PRICE INDEX APPLICATION  
APPLICABLE TEST YEAR \_\_\_\_\_

Department of Environmental Protection Public Water System ID NO. \_\_\_\_\_  
Department of Environmental Protection Wastewater Treatment Plant ID NO. \_\_\_\_\_

|                                                                                                         | WATER        | WASTEWATER   |
|---------------------------------------------------------------------------------------------------------|--------------|--------------|
| Operation & Maintenance Expenses <sup>1</sup>                                                           | \$ _____     | \$ _____     |
| LESS:                                                                                                   |              |              |
| (a) Pass-through Items:                                                                                 |              |              |
| (1) Purchased Power                                                                                     | _____        | _____        |
| (2) Purchased Water                                                                                     | _____        | _____        |
| (3) Purchased Wastewater Treatment                                                                      | _____        | _____        |
| (4) Sludge Removal                                                                                      | _____        | _____        |
| (5) Other <sup>2</sup>                                                                                  | _____        | _____        |
| (b) Rate Case Expense Included in Expenses                                                              | _____        | _____        |
| (c) Adjustments to Operation & Maintenance Expenses<br>from last rate case, if applicable: <sup>3</sup> |              |              |
| (1) _____                                                                                               | _____        | _____        |
| (2) _____                                                                                               | _____        | _____        |
| Costs to be Indexed                                                                                     | \$ _____     | \$ _____     |
| Multiply by Annual Commission-Approved Price Index                                                      | <u>2.46%</u> | <u>2.46%</u> |
| Total Indexed Costs                                                                                     | \$ _____     | \$ _____     |
| Add Change in Pass-Through Items: <sup>4</sup>                                                          |              |              |
| (1) _____                                                                                               | _____        | _____        |
| (2) _____                                                                                               | _____        | _____        |
| Divide Index and Pass-Through Sum by Expansion<br>Factor for Regulatory Assessment Fees                 | <u>.955</u>  | <u>.955</u>  |
| Increase in Revenue                                                                                     | _____        | _____        |
| Divide by Applicable Test Year Revenue <sup>5</sup>                                                     | \$ _____     | \$ _____     |
| Percentage Increase in Rates                                                                            | ===== %      | ===== %      |

FOOTNOTES APPEAR ON THE FOLLOWING PAGE

**PAGE 1 FOOTNOTES**

<sup>1</sup>This amount must match last year's annual report.

<sup>2</sup>Other expense items may include increases in required Department of Environmental Protection testing, ad valorem taxes, permit fees charged by the Department of Environmental Protection or a local government authority, National Pollutant Discharge Elimination System fees, and regulatory assessment fees. These items should not be currently embedded in the utility's rates.

<sup>3</sup>This may include adjustments that follow a methodology referenced in the Order from a utility's last rate case (i.e. averaged bad debt expense or excessive unaccounted for water percentage applied to chemicals expense).

<sup>4</sup>This may include an increase in purchased power, purchased water, purchased wastewater treatment, sludge hauling, required Department of Environmental Protection testing, ad valorem taxes, and permit fees charged by the Department of Environmental Protection or a local government authority providing that those increases have been incurred within the 12-month period prior to the submission of the pass-through application. Pass-through National Pollutant Discharge Elimination System fees and increases in regulatory assessment fees are eligible as pass-through costs but not subject to the twelve month rule. All pass-through items require invoices. See Rule 25-30.425, F.A.C. for more information.

<sup>5</sup>If rates changed after January 1 of the applicable test year, the book revenues must be adjusted to show the changes and an explanation of the calculation should be attached to this form. See Annualized Revenue Worksheet for instructions and a sample format.

**ANNUALIZED REVENUE WORKSHEET**

Have the rates charged for customer services changed since January 1, of the applicable test year?

- ( ) If no, the utility should use actual revenues. This form may be disregarded.
- ( ) If yes, the utility must annualize its revenues. Read the remainder of this form.

Annualizing calculates the revenues the utility would have earned based upon the previous year's customer consumption at the most current rates in effect. To complete this calculation, the utility will need consumption data for the previous year to apply to the existing rate schedule. Below is a sample format which may be used.

**CALCULATION OF ANNUALIZED REVENUES\***  
Consumption Data for Applicable Test Year

|                      | Number of<br>Bill/Gal. Sold | X | Current<br>Rates            | Annualized<br>Revenues      |
|----------------------|-----------------------------|---|-----------------------------|-----------------------------|
| Residential Service: |                             |   |                             |                             |
| Bills:               |                             |   |                             |                             |
| 5/8"x3/4" meters     | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| 1" meters            | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| 1 2" meters          | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| 2" meters            | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| Gallons Sold         | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| General Service:     |                             |   |                             |                             |
| Bills:               |                             |   |                             |                             |
| 5/8"x3/4" meters     | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| 1" meters            | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| 1 2" meters          | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| 2" meters            | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| 3" meters            | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| 4" meters            | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| 6" meters            | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |
| Gallons Sold         | <u>                    </u> |   | <u>                    </u> | <u>                    </u> |

Total Annualized Revenues for the Applicable Test Year      \$                     

\*Annualized revenues must be calculated separately if the utility consists of both a water system and a wastewater system. This form is designed specifically for utilities using a base facility charge rate structure. If annualized revenues must be calculated and further assistance is needed, contact the Commission Staff at (850) 413-6900.

**AFFIRMATION**

I, \_\_\_\_\_, hereby affirm that the figures and calculations upon which the change in rates is based are accurate and that the change will not cause \_\_\_\_\_ to exceed the range of its last authorized rate of return on equity, which is \_\_\_\_\_.  
(name of utility)

I, the undersigned/officer of the above-named utility, have read the foregoing and declare that, to the best of my knowledge and belief, the information contained in this application is true and correct.

This affirmation is made pursuant to my request for a price index and/or pass-through rate increase, in conformance with Section 367.081(4), Florida Statutes.

Further, I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

Signature: \_\_\_\_\_  
Title: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

My Commission expires:

(SEAL)

\_\_\_\_\_  
Notary Public  
State of Florida

**STATEMENT OF QUALITY OF SERVICE**

Pursuant to paragraphs 25-30.420(2)(h) and (i), Florida Administrative Code,

\_\_\_\_\_  
(name of utility)

[ ] does not have any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Protection (DEP) or the County Health Departments.

[ ] does have the attached active written complaint(s), corrective order(s), consent order(s), or outstanding citation(s) with the DEP or the County Health Department(s). The attachment(s) includes the specific system(s) involved with DEP permit number and the nature of the active complaint, corrective order, consent order, or outstanding citation.

This statement is intended such that the Florida Public Service Commission can make a determination of quality of service pursuant to Section 367.081(4)(a), Florida Statutes, and Rule 25-30.420(4)(a), Florida Administrative Code.

**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Telephone Number:** \_\_\_\_\_  
**Fax Number:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

**Exception**

\_\_\_\_\_ hereby waives the right to implement  
(name of utility)  
a pass-through rate increase within 45 days of filing, as provided by Section 367.081(4)(b), Florida  
Statutes, in order that the pass-through and index rate increase may both be implemented together  
60 days after the official filing date of this notice of intention.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

(To be used if an index and pass-through rate increase are requested jointly.)

**NOTICE TO CUSTOMERS**

Pursuant to Section 367.081(4)(a), Florida Statutes, water and wastewater utilities are permitted to adjust the rates and charges to its customers without those customers bearing the additional expense of a public hearing. These adjustments in rates would depend on increases or decreases in non-controllable expenses subject to inflationary pressures such as chemicals, and other general operation and maintenance costs.

On \_\_\_\_\_, \_\_\_\_\_ filed its notice of  
(date) (name of utility)  
intention with the Florida Public Service Commission to increase water and wastewater rates in \_\_\_\_\_ County pursuant to this Statute. The filing is subject to review by the Commission Staff for accuracy and completeness. Water rates will increase by approximately \_\_\_\_\_% and wastewater rates by \_\_\_\_\_%. These rates should be reflected for service rendered on or after \_\_\_\_\_.

**NOTICE TO CUSTOMERS**

Pursuant to Section 367.081(4)(b), Florida Statutes, water and wastewater utilities are permitted to pass through, without a public hearing, a change in rates resulting from: an increase or decrease in rates charged for utility services received from a governmental agency or another regulated utility and which services were redistributed by the utility to its customers; an increase or decrease in the rates that it is charged for electric power, the amount of ad valorem taxes assessed against its used and useful property, the fees charged by the Department of Environmental Protection in connection with the National Pollutant Discharge Elimination System Program, or the regulatory assessment fees imposed upon it by the Commission; costs incurred for water quality or wastewater quality testing required by the Department of Environmental Protection; the fees charged for wastewater bio solids disposal; costs incurred for any tank inspection required by the Department of Environmental Protection or a local governmental authority; treatment plant and water distribution system operator license fees required by the Department of Environmental Protection or a local governmental authority; water or wastewater operating permit fees charged by the Department of Environmental Protection or a local governmental authority; and consumptive or water use permit fees charged by a water management district.

On \_\_\_\_\_, \_\_\_\_\_ filed its notice of  
(date) (name of utility)  
intention with the Florida Public Service Commission to increase water and wastewater rates in \_\_\_\_\_ County pursuant to this Statute. The filing is subject to review by the Commission Staff for accuracy and completeness. Water rates will increase by approximately \_\_\_\_\_% and wastewater rates by \_\_\_\_\_. These rates should be reflected on your bill for service rendered on or after \_\_\_\_\_.  
(date)

If you should have any questions, please contact your local utility office. Be sure to have account number handy for quick reference.

COMMISSIONERS:  
GABRIELLA PASSIDOMO SMITH, CHAIR  
GARY F. CLARK  
ANA ORTEGA  
BOBBY PAYNE  
MIKE LA ROSA

STATE OF FLORIDA



DIVISION OF  
ACCOUNTING AND FINANCE  
MARK A. CICHETTI  
DIRECTOR  
(850) 413-6900

# Public Service Commission

Month Day, 2026

All Florida Public Service Commission  
Regulated Water & Wastewater Utilities

Re: Docket No. 20250005-WS - 2026 Price Index

Dear Utility Owner:

Since March 31, 1981, pursuant to the guidelines established by Section 367.081(4)(a), Florida Statutes (F.S.), and Rule 25-30.420, Florida Administrative Code (F.A.C.), the Commission has established a price increase or decrease index for major categories of operating costs. This process allows water and wastewater utilities to adjust rates based on current specific expenses without applying for a rate case. The intent of this rule is to ensure that inflationary pressures are not detrimental to utility owners, and that any possible deflationary pressures are not adverse to customers. By keeping up with index and pass-through adjustments, utility operations can be maintained at a level sufficient to ensure quality of service for the customers.

Pursuant to Rule 25-30.420(1)(a), F.A.C., all operation and maintenance expenses shall be indexed with the exception of:

- a) Pass-through items pursuant to Section 367.081(4)(b), F.S.;
- b) Any amortization of rate case expense; and
- c) Disallowances or adjustments made in an applicant's most recent rate proceeding.

Please note that all sludge removal expense should now be removed from operation and maintenance expenses for the purpose of indexing. Incremental increases in this category of expense may now be recovered using a pass-through request.

All Florida Public Service Commission  
Regulated Water & Wastewater Utilities  
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Month Day, 2026

Upon the filing of a request for an index and/or pass-through increase, staff will review the application and modify existing rates accordingly. If for no other reason than to keep up with escalating costs, utilities throughout Florida should file for this rate relief on an annual basis. Utilities may apply for a 2025 Price Index anytime between April 1, 2026, through March 31, 2027 by mail or by emailing [Applications@psc.state.fl.us](mailto:Applications@psc.state.fl.us). The attached package will answer questions regarding what the index and pass-through rate adjustments are, how to apply for an adjustment, and what needs to be filed in order to meet the filing requirements. For your convenience, the Commission-approved Price Index is reflected on Form PSC 1022, attached. While the increase for any given year may be minor, (see chart below), the long-run effect of keeping current with rising costs can be substantial.

| <b>Year</b> | <b>Annual<br/>Commission<br/>Approved Index</b> | <b>Year</b> | <b>Annual<br/>Commission<br/>Approved Index</b> |
|-------------|-------------------------------------------------|-------------|-------------------------------------------------|
| 2000        | 1.36%                                           | 2014        | 1.41%                                           |
| 2001        | 2.50%                                           | 2015        | 1.57%                                           |
| 2002        | 2.33%                                           | 2016        | 1.29%                                           |
| 2003        | 1.31%                                           | 2017        | 1.51%                                           |
| 2004        | 1.60%                                           | 2018        | 1.76%                                           |
| 2005        | 2.17%                                           | 2019        | 2.36%                                           |
| 2006        | 2.74%                                           | 2020        | 1.79%                                           |
| 2007        | 3.09%                                           | 2021        | 1.17%                                           |
| 2008        | 2.39%                                           | 2022        | 4.53%                                           |
| 2009        | 2.55%                                           | 2023        | 7.07%                                           |
| 2010        | 0.56%                                           | 2024        | 3.24%                                           |
| 2011        | 1.18%                                           | 2025        | 2.23%                                           |
| 2012        | 2.41%                                           | 2026        | 2.46%                                           |
| 2013        | 1.63%                                           |             |                                                 |

Please be aware that pursuant to Section 837.06, F.S., whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty shall be guilty of a misdemeanor of the second degree. Our staff is available at (850) 413-6900 should you need assistance with your filing. If you have any questions, please do not hesitate to call.

Moreover, additional rate relief mechanisms are available to water and wastewater utilities as alternatives to full rate cases. Water and wastewater utilities whose total gross annual operating revenues are \$335,000 or less for water service or \$335,000 or less for wastewater service, or

All Florida Public Service Commission  
Regulated Water & Wastewater Utilities  
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\$670,000 or less on a combined basis, may petition the Commission for staff assistance in alternative rate setting. Please refer to Rule 25-30.456, F.A.C., for additional details.

Furthermore, water utilities whose total gross annual operating revenues are \$335,000 or less and wastewater utilities whose total gross annual operating revenues are \$335,000 or less may file an application for a limited alternative rate increase of up to 20 percent applied to metered or flat recurring rates of all classes of service. Please refer to Rule 25-30.457, F.A.C., for additional details.

Finally, the Commission reminds water and wastewater utilities that the Utility Reserve Fund exists to help address concerns over deferred maintenance of critical infrastructure and delays in necessary repairs. The availability of the reserve funds may allow a utility to avoid or defer the need for a future rate case, the expenses of which are ultimately borne by customers. Please refer to Rule 25-30.444, F.A.C., for additional details.

Sincerely,

Mark A. Cicchetti  
Director

Enclosures

