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MARSHALL WILLIS, DIRECTOR
DIVISION OF ACCOUNTING AND FINANCE
(850) 413-6900

Public Service Commission

August 23, 2013

THIRD DATA REQUEST

RECEIVED-FPSC
18 AUG 23 PM 3:05
COMMISSIONER
CLERK

Mr. Martin S. Friedman, Esquire
Sundstrom, Friedman & Fumero, LLP
766 North Sun Drive, Suite 4030
Lake Mary, Florida 32746

Re: Docket No. 130025-WU – In re: Application for increase in water rates in Highlands County by Placid Lakes Utilities, Inc.

Dear Mr. Friedman:

On August 20, 2013, the Office of Public Council filed a letter, which has been designated Document No. 04890-13, raising their concerns about the rate increase requested by Placid Lakes Utilities, Inc. (PLU or Utility). Please provide a detailed response to their list of issues.

In addition, Staff needs the following information to complete our review of the application filed by the Utility.

- 1) Please provide support, along with documentation, for the Utility's estimate of fair market rent per square foot.
- 2) Please provide the original net plant value and depreciation expense of the two buildings rented to the Utility as well as the associated property taxes.
- 3) Does the Utility make regular payments of principal and interest to Lake Placid Holding Company (LPH) on the Utility's parent debt that was issued in August 2012 for "Operating"?
- 4) Does the Utility make regular payments of principal and interest to Lake Placid Holding Company (LPH) on the Utility's parent debt that was issued in January 2011 for "Equipment"?
- 5) Does the current test year expense include any amortization of engineering fees associated with the previous water permit renewal? If so, what is the test year amount?

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- 6) Is the postage meter used solely by the Utility? If not, what percentage of use is devoted to utility operations?
- 7) The following items relate to the Utility's response to Staff's Second Data Request, Item 2.
 - a) Please provide copies of LPH invoices, LPH time sheets, and the Utility's time sheets to support Ms. Brewer's work on the rate case;
 - b) Ms Brewer's hourly rate is listed as \$27.50, yet in MFR Volume I, Schedule B-10, Ms. Brewer's hourly rate is listed as \$55 an hour. Please clarify which rate is actually being utilized.
- 8) The following items relate to the Utility's response to Staff's Second Data Request, Item 7.
 - a) Please provide a revised, executed copy of the proposal with the vendor's information including, but not limited to, the company's name, address, and phone number;
 - b) Is this vendor a related party?

Please submit the above information to the Office of Commission Clerk no later than September 6, 2013. If you have any questions, please contact me by phone at (850) 413-6997 or by e-mail at amnorris@psc.state.fl.us.

Sincerely,



Amber Norris
Regulatory Analyst I
Division of Accounting and Finance

cc: Division of Economics (Daniel, Hudson, Roberts)
Division of Accounting and Finance (Fletcher, Maurey)
Division of Engineering (Ballinger, Vickery, Lewis, Watts)
Office of the General Counsel (Gilcher)
Office of Commission Clerk (Docket No. 130025-WU)
Office of Public Counsel