

P R O C E E D I N G S

1
2 **CHAIRMAN GRAHAM:** Next one will be Item Number
3 7.

4 **MR. VOGEL:** Good morning, Commissioners.
5 Matthew Vogel with Commission staff.

6 Item 7 is the application for a staff-assisted
7 rate case by Lake Placid Utilities, Inc.

8 Lake Placid serves 120 water and
9 121 wastewater customers in Highlands County. Staff is
10 recommending a revenue increase of approximately
11 19.6 percent for water and a decrease of approximately
12 2 percent for wastewater.

13 Staff has an oral modification to Issue 7 that
14 has been provided to you. If you'd like me to go over
15 this modification at this time, I can.

16 **CHAIRMAN GRAHAM:** Okay. Let's hear from OPC
17 first. I'm sorry.

18 **MR. VOGEL:** We do have an oral modification.

19 **CHAIRMAN GRAHAM:** Let's hear the oral
20 modification.

21 **MR. VOGEL:** The utility's \$2,000 filing fee
22 was inadvertently counted twice in the total rate case
23 expense: First as a separate item by staff, and then by
24 the utility as part of its legal fees. Consequently,
25 the utility's legal fees should be reduced by \$2,000 to

1 remove the duplicate filing fees, resulting in a
2 reduction in the legal fee portion of rate case expense
3 from \$12,802 to \$10,802. Total rate case expense should
4 be reduced from \$15,031 to \$13,031. Changing the
5 recommended amount of rate case expense will affect all
6 fallout issues regarding rate base, operating expense,
7 revenue requirement, rates, four-year rate reduction,
8 and security for temporary rates.

9 Commissioners, Mr. Reilly and Ms. Vandiver are
10 here on behalf of the Office of Public Counsel and would
11 like to address the Commission, and also Mr. Friedman
12 and Mr. Flynn are here on behalf of the utility. At
13 this time staff can answer any questions.

14 **CHAIRMAN GRAHAM:** Okay. Before we get to OPC,
15 Commissioner Edgar.

16 **COMMISSIONER EDGAR:** Thank you, Mr. Chairman.

17 And just so I'm clear, Mr. Vogel, the oral
18 modification is to correct a miscalculation?

19 **MR. VOGEL:** That is correct.

20 **COMMISSIONER EDGAR:** Thank you.

21 **CHAIRMAN GRAHAM:** OPC.

22 **MR. REILLY:** Good morning, Chairman Graham,
23 Commissioners. Steve Reilly with the Office of Public
24 Counsel appearing on behalf of the customers of Lake
25 Placid Utilities. Also appearing is Denise Vandiver

1 with our office.

2 We would like to address you concerning the
3 current rate case expense recommended to be collected
4 from ratepayers in this case. The subject is discussed
5 in Issue 7 of the recommendation. We believe the
6 current rate case expense recommended is too high and
7 should be reduced.

8 We have three basic recommendations we'd like
9 the Commission to consider when determining whether rate
10 case expense is just and reasonable and recoverable from
11 ratepayers in this particular staff-assisted rate case.

12 First, we propose that when the rate case
13 expense is greater than the total dollar amount of the
14 revenue increase in a case, the Commission should
15 exercise an even greater level of scrutiny of each and
16 every rate case expense to verify the necessity and the
17 reasonableness of that expense. This extra scrutiny
18 would not per se disallow any particular expense, but it
19 would require very specific justification from the
20 company when the total requested rate case expense is
21 greater than the total dollar value, the total revenue
22 increase.

23 Second, in the staff-assisted rate cases the
24 customer should not be required to bear the cost of the
25 company lawyering up its responses to staff data

1 requests. Staff-assisted rate case should be a very
2 inexpensive and informal process to determine the just
3 and reasonable small revenue requirement for small water
4 and wastewater operations serving very few customers.
5 In almost all staff-assisted rate cases companies are
6 able to respond to staff data requests without the
7 benefit of legal review of the questions and answers.
8 In those very few cases where the companies desire to
9 use an attorney, usually at a very high cost per hour,
10 they should be free to do so, but we would argue at
11 their own expense.

12 We argue that given the very small revenue
13 requirements to be recovered through few customers,
14 recovering this expense should -- that the customers
15 should not be required to pay for attorney review of
16 these questions and answers to staff data requests in
17 staff-assisted rate cases.

18 Finally, a customer should not have to pay a
19 company's rate case expense to establish that it is not
20 entitled to a rate increase and that it should not have
21 filed a case in the first place. To do otherwise
22 provides no disincentive for the company to regularly
23 file for rate increases whether it feels it's justified
24 to file it or not.

25 It is the company that possesses the

1 information to determine its entitlement to a rate
2 increase. The customer should be held harmless when the
3 company seeks a rate increase that is not justified. To
4 collect the company's rate case expense from its
5 customers under these circumstances is neither just nor
6 fair as required by Chapter 367.081(2)(a)1, *Florida*
7 *Statutes*.

8 We believe if you apply these three
9 recommendations in this particular staff-assisted rate
10 case would produce a more reasonable rate case expense
11 of \$4,521. The recommendation before you today approves
12 rate case expense of \$13,031 to establish the company's
13 entitlement to \$9,945 net revenue increase.

14 Given this mismatch of rate case expense to
15 rate increase, OPC scrutinized the specific items of
16 this rate -- of rate case expense. One particular item
17 stood out as being unnecessary and excessive. The
18 company paid for its attorney to attend the staff
19 customer meeting in this docket. There is no role for
20 the company's attorney to play at a customer meeting in
21 a staff-assisted rate case. It is my understanding that
22 the Commission has stopped sending its attorneys to
23 these customer meetings, and OPC sent no staff person or
24 an attorney to this meeting. This one unnecessary cost
25 equals about 20 percent of the total revenue increase

1 recommended in this staff-assisted rate case. We argue
2 that the customers should not be required to bear this
3 specific rate increase, rate case expense. We believe
4 it's unreasonable and unnecessary.

5 Applying our second recommendation to this
6 case would result in reducing rate case expense by
7 \$1,820 to remove the legal cost to review and approve
8 responses to staff's data request.

9 And, finally, applying our third
10 recommendation would result in reducing rate case
11 expense by \$3,441 to disallow the amount of rate case
12 expense allocated to the wastewater service because of
13 the recommendations -- recommendation to reduce the
14 rates for the wastewater operation.

15 We've provided a handout to document our
16 recommended adjustments to rate case expense.
17 Ms. Vandiver with our, with our office will offer a few
18 comments concerning the handout and explain how we
19 quantified our rate case expense adjustments.

20 **CHAIRMAN GRAHAM:** Ms. Vandiver.

21 **MS. VANDIVER:** Yes, Commissioners. Thank you.

22 The handout consists of three pages. The
23 first page is a summary, and the next two pages are the
24 detail of the legal invoices that were submitted in
25 response to the staff data request and the highlights

1 tied to the front page.

2 The three adjustments that we're suggesting:
3 The customer meeting was taken from an invoice dated
4 April 15th. It was for 6.6 hours, and it included some
5 other activity besides a customer meeting. So we
6 approximated 5.1 hours out of the 6.6. That was just an
7 estimate on our part.

8 The second adjustment are the blue highlights,
9 and it's several items that were identified as reviewing
10 audit requests and staff data requests.

11 And the third item, I believe there was a
12 difference between Mr. Reilly's notes and mine as we
13 adjusted the summary, but the total disallowance we were
14 recommending was \$4,555, and that was based on the
15 remaining rate case expense in waste -- in the
16 wastewater system since there was no increase in that
17 system.

18 **CHAIRMAN GRAHAM:** Thank you, Ms. Vandiver.

19 I've got a question of staff before we move on
20 to Mr. Friedman. Staff, did we not send an attorney to
21 the customer meeting?

22 **MR. TEITZMAN:** That is correct, Chairman.
23 Attorneys are not attending the service hearings [sic.]
24 for the -- on the staff-assisted rate cases.

25 **CHAIRMAN GRAHAM:** Only on the staff-assisted

1 rate cases.

2 **MS. HELTON:** Attorneys are not attending, for
3 the most part, staff-assisted or PAA rate cases --
4 unless we believe that it will be particularly
5 controversial, then we do send an attorney -- as a cost
6 savings measure.

7 **CHAIRMAN GRAHAM:** Mr. Friedman.

8 **MR. FRIEDMAN:** Thank you, Mr. Chairman, and
9 Commissioners.

10 My name is Marty Friedman. I'm the attorney
11 for Lake Placid Utilities, Inc., in this. And obviously
12 this particular issue is near and dear to my heart. And
13 it, and it shows some, some fallacies in the OPC's
14 analysis.

15 Let me start with -- since they mentioned the
16 biggest one was the customer meeting. I think that
17 y'all will agree that the customer meeting is a very
18 important part of this process. At least that's what
19 you tell the customers when you go to that customer
20 meeting, that this is -- you know, you're there to hear
21 what they've got to say, and many times that's the only
22 opportunity they have to say their piece. Since that is
23 such an important part of this process, whether it's,
24 whether it's a PAA case or a staff-assisted rate case,
25 since it is an important part, I think that the, that

1 the utility is rightfully entitled to have an attorney
2 there to help them evaluate the consequences of what
3 they say from a legal standpoint and from a regulatory
4 standpoint as to what impact some of those customers may
5 have, some of those customer comments may have. I'm
6 not -- frankly, I've been to customer meetings when
7 nobody showed up -- you know, very few and far between
8 -- and, you know, we sat around with the staff and then
9 we all went home. And that's certainly a waste of
10 everybody's time, energy, and effort, but that's very
11 few and far between. And so I believe as long as the --
12 as long as this Commission believes that a customer
13 meeting is an integral part of the ratemaking process, I
14 think that the utility is, is, is rightfully entitled to
15 have its legal counsel at that part of the process.

16 If -- and, of course, in retrospect, I think
17 Public Counsel sends somebody to most of these. I
18 didn't -- if they didn't send it to these, I don't know
19 in advance. They don't call me and say, "Hey, Marty,
20 we're not going, you know, if y'all don't go" kind of
21 thing. I do recognize that the staff as of late has not
22 been sending lawyers, although they used to routinely.
23 I don't remember when that changed. But they send, you
24 know, two or three other staff people there. And so I,
25 I think it is disingenuous to, to represent the

1 customers and then -- as the Public Counsel does -- and
2 then say "But the utility, you can't have your lawyer at
3 that meeting." And that's, that's my, my addressing
4 that.

5 On addressing the responses to the, to the
6 data request, I note that, that, you know, the bulk of
7 the time responding was to addressing the OPC's issues
8 they raised. And when the OPC sends in a data request,
9 you know, sends their issues and positions to, to the
10 Commission to look at and the staff sends them to the
11 utility to look at, I mean, how can the OPC institute a
12 proceeding that costs the utility money and then say,
13 "Yeah, but we don't want to, we don't you to have to be
14 able" -- you know, "You can't get that recovered from
15 your legal expenses." You know, they incurred the cost
16 and they certainly can't now complain that they -- that
17 that cost was unreasonable.

18 And, you know, in a staff-assisted rate case,
19 you can tell by looking at this that the time that I
20 spend or probably any lawyer spends on data request
21 responses is not the same as we do in a regular rate
22 case. I think if you compare what we do -- you know, we
23 try to do the most we can in the least amount of time,
24 recognizing, you know, that we still have to protect our
25 client's interest, and that's why our invoices are so

1 detailed. I mean, you can nitpick them to death, if you
2 want. And that's the reason we do that, because the
3 Commission, since I've been doing this for 30 years, has
4 always had that opportunity and wants to nitpick them if
5 they, if they want to. And as a result, I, I issue very
6 detailed bills on, on my rate cases.

7 The staff's position that they shouldn't get
8 any rate case expense for wastewater has, has got two
9 issues with it.

10 First of all, you know, a staff-assisted rate
11 case, you're, you're, you're not filing MFRs. You're
12 not sitting down and looking, you know, doing the
13 evaluation that you do before you file a rate case.
14 You're doing a, kind of a tabletop review of your
15 finances and saying, you know, it looks like we need
16 some rate relief, and you fill out the form and, and the
17 staff does all the analysis.

18 As a practical matter, unless a lot of these
19 data request responses were related to the wastewater
20 system -- and I don't think they were, as a practical
21 matter -- it's not like it takes twice as much time to
22 do a rate case that has water and sewer both in it. A
23 customer meeting, would have gone to whether it had
24 water and sewer in it. Most of these data requests,
25 most of this work is unrelated to whether you have water

1 and wastewater both. I think adding wastewater to the,
2 to the mix or adding water, if you're getting a rate
3 increase for wastewater, really has, has minimal
4 increase in rate case expense, at least from, from the
5 legal standpoint. So to, to, to arbitrarily say, well,
6 half of it is wastewater, since they've got a water
7 system and a wastewater system, let's -- they didn't get
8 any increase in wastewater, let's zap half of the rate
9 case expense has -- is totally arbitrary, and it's just
10 an attempt by Public Counsel to come up with some basis
11 to, to reduce rate case expense.

12 And further, because it's -- you know, when
13 they filed the increase or filed the staff-assisted rate
14 case, you know, as I mentioned, they don't know in
15 advance that, whether they're going to get an increase
16 or how big an increase or decrease. But you would have
17 needed to have analyzed the wastewater system since they
18 operate a water and wastewater system. I think that the
19 staff would have had to do practically the same amount
20 of work to analyze the case because you have certain
21 allocations of people between both systems. So I don't
22 think even from a staff standpoint that they spent twice
23 as much time on this case because it had wastewater and
24 water involved in it.

25 And so I would, I would suggest to you that,

1 that the, the legal rate case expense is fully justified
2 and no adjustment should be made to it. Thanks.

3 **CHAIRMAN GRAHAM:** So, Mr. Friedman, when has
4 this Commission ever nitpicked invoices?

5 **MR. FRIEDMAN:** You know --

6 **CHAIRMAN GRAHAM:** Just kidding.

7 (Laughter.)

8 **MR. FRIEDMAN:** -- to the, to the Commission
9 and the staff's credit, very, very seldom. But you have
10 that opportunity by the amount of detail that I put in
11 my invoices.

12 **CHAIRMAN GRAHAM:** Question for Mr. Flynn.
13 When you invoice for wastewater, how is that done? How
14 do you determine how much is invoiced?

15 **MR. FLYNN:** For the customers' bills, sir?

16 **CHAIRMAN GRAHAM:** Yes.

17 **MR. FLYNN:** The residential customers are
18 billed for sewer service based on the water use.

19 **CHAIRMAN GRAHAM:** So -- and maybe I just read
20 something wrong. In this case it says that you have 120
21 water customers and 121 wastewater. How is that extra
22 wastewater one billed?

23 **MR. FLYNN:** The Lake Placid customer base is a
24 little bit interesting. We have a master sewer account
25 for a community that has 72 condos in it. We have a

1 series of customers that are water only service
2 customers, and we have, I think, two customers that are
3 sewer only because they're on wells.

4 **CHAIRMAN GRAHAM:** Okay. I did -- I saw that;
5 I couldn't figure it out. Thank you.

6 Commissioners? Commissioner Balbis.

7 **COMMISSIONER BALBIS:** Thank you, Mr. Chairman.

8 I have a few questions for staff. In a
9 staff-assisted rate case what is the average or typical
10 regulatory expense? And I know it's not called rate
11 case expense. What's the typical regulatory expense for
12 a staff-assisted rate case?

13 **MR. MOURING:** Well, Commissioner, it's
14 difficult to answer that question. It depends on
15 whether or not -- generally it depends on whether or not
16 they retain legal counsel. If they do not, the rate
17 case expense, the regulatory Commission expense for a
18 SARC would generally just be the filing fee and the
19 noticing costs, which would range between maybe a
20 thousand dollars and maybe \$3,000.

21 If the utility does engage and hire legal
22 counsel, it's generally somewhere around what we're
23 seeing here, about \$10,000.

24 **COMMISSIONER BALBIS:** Okay. And when a
25 utility decides to go through the staff-assisted rate

1 case process, the role of staff changes, does it not?
2 And if you -- and if it does, could you explain how it
3 changes and what staff's role is in the process in a
4 staff-assisted rate case?

5 **MR. MOURING:** Yes, Commissioner. For a larger
6 company, for a Class B or a Class A utility that's
7 filing for a PAA file and suspend rate case, a lot more
8 of the legwork is, is borne by the utility. They
9 prepare schedules, they prepare minimum filing
10 requirements, submit them to staff. It's a
11 comprehensive set of schedules that details specifically
12 what the utility is requesting rate relief for.

13 In a staff-assisted rate case, these are
14 generally smaller Class -- I mean, these are smaller
15 Class C companies that don't necessarily have the
16 technical capabilities to readily and easily prepare
17 that level of minimum filing requirements. They
18 generally just fill out like a two-page application
19 seeking rate relief. And staff does the legwork, we
20 send out an auditor, we audit the books and records.
21 We, we do all the work, and we prepare our
22 recommendation based on that.

23 **COMMISSIONER BALBIS:** And that is the role
24 that staff filled in this case?

25 **MR. MOURING:** Yes.

1 **COMMISSIONER BALBIS:** Okay. And I have a
2 question for Mr. Flynn. You have been before us a
3 number of times in the past four years and through
4 different processes: through PAA processes, full-blown
5 rate cases, and staff-assisted rate cases. Why did you
6 decide that you needed legal counsel for this, knowing
7 that you should be familiar with the process as it is
8 and it is a staff-assisted rate case?

9 **MR. FLYNN:** Commissioner, I would say that my
10 experience is that it's advantageous to have counsel
11 present in order to give me counsel in regard to the
12 goings on associated with these, these proceedings. So
13 it's my position that it's advantageous for us to
14 protect ourselves in the event of issues that may come
15 up.

16 In particular, a customer meeting is an
17 opportunity for customers to raise concerns that may or
18 may not be known to the utility prior to the meeting.
19 So that was, in fact, the case with this particular
20 customer meeting.

21 **COMMISSIONER BALBIS:** Did you attend the
22 customer meeting?

23 **MR. FLYNN:** Yes, sir, I did.

24 **COMMISSIONER BALBIS:** Okay. And I have a few
25 questions for Mr. Friedman. Thank you, Mr. Flynn.

1 You indicated that, in your justification for
2 your, for the expenses associated with your services,
3 the response to OPC's issues and concerns. And in going
4 through all of your invoices -- not that we nitpick your
5 invoices at all, I don't want to give you that -- but
6 none of your invoices include that statement, that
7 description. And the only place that it shows up is two
8 hours in your estimate to complete rate case expense
9 through PAA order, two hours to respond to formal and
10 informal data requests from staff and to OPC issues and
11 concerns. And in going through all of your other
12 invoices, it doesn't appear that in your detailed
13 descriptions that you spend any time responding to OPC's
14 issues and concerns, just the two hours that you
15 estimated.

16 **MR. FRIEDMAN:** Yeah. They don't, they don't
17 file that until late in the case and that's why. They
18 don't, they don't file their issues and concerns until
19 generally after the, the, the customer meeting. And so
20 it would have, not have shown up as something that was
21 done but something that they, that they were doing.

22 **COMMISSIONER BALBIS:** Okay. So out of the
23 \$12,802.12, you estimated only two hours to respond to
24 OPC's issues and concerns.

25 **MR. FRIEDMAN:** That's what it says; right.

1 **COMMISSIONER BALBIS:** Okay. And --

2 **MR. FRIEDMAN:** And, Commissioner, this is -- I
3 don't, I don't want to disagree with staff, but the
4 average rate case expense from a legal standpoint on a
5 staff-assisted that y'all have approved in the past is
6 usually in the neighborhood of 12 to 14 or \$15,000. So
7 this is certainly within the range of -- and those
8 numbers were, some of those were, were years ago. And
9 so I think the amounts of rate case expense in this
10 staff-assisted rate case I think are probably on the low
11 end that I've seen y'all approve in a, in a
12 staff-assisted rate case.

13 **COMMISSIONER BALBIS:** Well, one of the
14 concerns I have -- and I agree with Mr. Flynn on, on the
15 attendance of the customer meeting. You know, I'm not
16 sure if having a legal representation there is
17 appropriate, but I do agree with both Mr. Friedman and
18 Mr. Flynn that that often is the only time you get to
19 hear concerns from, from the customers in that setting,
20 so I think that it is important.

21 However, in looking at your invoices, it just
22 seems like a lot of time. I mean, on the first invoice,
23 you know, participating in a conference call to discuss
24 the rate case, and that was in September 2013, which is
25 three months before the filing, the official filing date

1 of the SARC, and then a lot of time spent on just
2 reviewing letters from staff when staff is essentially
3 acting as, you know, as part of the utility gathering
4 information and doing the legwork. And I'm not sure
5 what value is being provided to the customers for that
6 since it is a staff-assisted rate case.

7 **MR. FRIEDMAN:** Well, they ask -- you know, the
8 staff data requests are no different than the staff data
9 requests in a, in a PAA case. They ask a bunch -- and I
10 don't remember particularly in this case -- but they
11 ask, the staff typically asks a bunch of data requests,
12 and the, and the utility wants legal input into every
13 answer because every answer has some legal -- you know,
14 may have some, some financial or legal consequence. And
15 I think that they, as long as -- until the statutes
16 prohibit them from, a utility from hiring legal counsel,
17 then they should have a right to do so, and they should
18 be able to be reimbursed the reasonable costs of that
19 representation.

20 **COMMISSIONER BALBIS:** And I'm not disagreeing
21 with you completely, but when I see a description of
22 "Reviewing a letter from PSC acknowledging eligibility
23 for SARC," I mean, that -- I'm not sure that falls in
24 the line as being a data request. But I just think that
25 there's a lot of time spent. And, you know, again, when

1 we have rate case or regulatory expense exceeding what
2 the revenue increase is, you know, I think it does
3 require additional scrutiny.

4 And I guess my final question for Mr. Flynn,
5 when deciding to go through the staff-assisted rate case
6 process, did you have an idea in mind of what you felt
7 you needed as far as a revenue increase to operate, you
8 know, a ballpark figure?

9 **MR. FLYNN:** Generally, yes.

10 **COMMISSIONER BALBIS:** And what was that?

11 **MR. FLYNN:** I don't have it in front of me.
12 I'm not prepared to answer that.

13 **COMMISSIONER BALBIS:** Was it in the ballpark
14 of what staff's recommended in this case?

15 **MR. FLYNN:** I honestly am not, not able to
16 answer that question. I wasn't prepared for that.

17 **COMMISSIONER BALBIS:** Seeing what staff
18 recommended, do you feel that is an appropriate amount?

19 **MR. FLYNN:** On the water side, yes. On the
20 sewer side I think the fact that we have a significant
21 hit for used and useful adjustment -- no fault of our
22 own -- I think is, is, is something that I can't agree
23 with in principle. But staff and the utility argued
24 some points about this issue in the previous rate case,
25 the one before that, to no avail. And if you'd like, I

1 could expand upon that.

2 **COMMISSIONER BALBIS:** No. I'm just trying to
3 get the, the order of magnitude, if you will. If staff
4 is recommending a \$9,000 to \$10,000 increase, and even
5 if you assume a \$9,000 increase -- just pulling that
6 out -- for wastewater, you're still looking at \$18,000.
7 And knowing that you're going to spend \$12,000 of
8 customer money to obtain that, did that come into the
9 decision-making process as to retaining Mr. Friedman or
10 participating in the SARC at all?

11 **MR. FLYNN:** Well, certainly we're familiar
12 with what previous rate case, rate cases in Lake Placid
13 were about. We had, in fact, in a previous rate case in
14 Lake Placid filed a PAA in front of this Commission. So
15 we were trying to, in fact, reduce costs to customers by
16 filing a SARC in this case in an effort to control rate
17 case expense as much as we could.

18 **COMMISSIONER BALBIS:** Okay. Mr. Chairman,
19 I'm, I'm done for now.

20 **CHAIRMAN GRAHAM:** Mr. Reilly.

21 **MR. REILLY:** I just would like to focus the
22 Commission's attention to this customer meeting. I
23 agree with Commissioner Balbis; it is very important.
24 It is the one opportunity to hear from the customers and
25 get their concerns. But I have to stress on this rate

1 case expense issue, there is absolutely no role for the
2 attorney, for the company to play in that proceeding.
3 To pay him this tremendous amount of money to sit in the
4 back of the room to listen to customers is, serves
5 nothing to his client and drives up the cost on the
6 ratepayers. He can as easily sit back in his office and
7 listen to the tape of the comments made by the customers
8 as to pay him to go all the way down there to this
9 customer meeting, play no role in the proceeding, and
10 sit back in the room and listen to them. That is one of
11 the clearest, cleanest ways to save rate case expense
12 money is to have the company exercise the same restraint
13 that your staff is exercising by not sending attorneys
14 there and the Office of Public Counsel is also
15 exercising.

16 So to answer Mr. Friedman, we do not send
17 attorneys or people to staff-assisted rate case customer
18 meetings unless there's just a compelling requirement
19 for us to be there through a strong request from the
20 customers and we just can't say no. But we -- and that
21 is all part of this effort to keep this as transparent
22 and as simple and as inexpensive as possible because
23 these rate case expense dollars warp the whole case,
24 especially when it comes to attorney's fees. So to me
25 that's the cleanest, simplest reduction is to, is to not

1 allow an attorney to attend that has no role in that
2 proceeding. Thank you.

3 **CHAIRMAN GRAHAM:** Mr. Reilly, I have a
4 question for you.

5 **MR. REILLY:** Yes, sir.

6 **CHAIRMAN GRAHAM:** Do you think that Mr. Flynn
7 or his company was not efficient by sending the attorney
8 down there, or do you think it's not his legal right to
9 send his attorney down there?

10 **MR. REILLY:** I think it's his legal right.
11 And if he wants to pay an attorney to go there, more
12 power to him. But I think it was absolutely, under the
13 context of a staff-assisted rate case, absolutely
14 inefficient and unjustified, and it should not be borne
15 by the ratepayers. He, he served no purpose in that
16 proceeding, so it doesn't meet the test. And when
17 you're looking, when you're looking at this problem for
18 greater scrutiny, that seemed like the one that bounced
19 off the page to me because it was such a fairly
20 substantial amount and one of the easiest ways to bring
21 this rate case expense more in balance with the
22 increased revenue amount. Thank you.

23 **CHAIRMAN GRAHAM:** But if, but if something
24 would have came out of that customer meeting that could
25 have been addressed and we had been sitting back here

1 later on and you said, "Well, you probably should have
2 sent your attorney down there, then they could have
3 handled the problem then. Why didn't you do that?"

4 **MR. REILLY:** I think the answer is that this
5 is not the time -- they say at the beginning of all
6 these customer meetings, "This is not the time to hear
7 from the company. This is not the time." So they are
8 really -- they don't have an opportunity to speak at
9 these meetings. There is no role other than sitting
10 there and taking notes. And I believe that the attorney
11 can take those notes just as easily listening to a tape
12 back in his office as to spending a lot of money in a
13 staff-assisted rate case to send him down there.

14 **CHAIRMAN GRAHAM:** Commissioner Brown.

15 **COMMISSIONER BROWN:** Thank you. Good
16 questions, Mr. Chairman. I was going to go along the
17 same lines.

18 Mr. Reilly, so are you saying that the Office
19 of Public Counsel, you don't need attorneys to attend
20 SARCs unless you have an inclination that it may be
21 contentious?

22 **MR. REILLY:** We are very engaged in
23 staff-assisted rate cases. We monitor them. And as we
24 look at a case, we will, you know, issue a letter, one
25 letter, which we did in this case, pointing out issues

1 that we would like staff to look into. But --

2 **COMMISSIONER BROWN:** And we're appreciative of
3 the letter too because staff made some changes.

4 **MR. REILLY:** And we do appreciate that. But,
5 no, I think we've made the same judgment that staff did,
6 that we really -- we have no role either. It does give
7 us an opportunity to have face time with our clients and
8 so there's a value there. But we have contact with the
9 clients through the telephone, and so we're just trying,
10 with our limited budget and everything, to just be as
11 efficient as we can.

12 **COMMISSIONER BROWN:** But the counter could
13 still, you know, ring true for the utility. It's an
14 opportunity for their presence to be made. Having an
15 attorney possibly at a SARC -- you know, back in 2006
16 and 2009, those rate cases, were those SARCs?

17 **MR. REILLY:** 2009, the last case was a SARC.
18 The one before that was not. That's why you had this --
19 and by looking at that, there's been progress made.
20 There's been a lot of progress made on this rate case
21 issue. We're still, you know, pounding away at it
22 because of these small, small dollar amounts. But, but
23 there was -- but the last one was a SARC. The one
24 before that was not.

25 **COMMISSIONER BROWN:** And I guess, so the

1 question is, and obviously the rate case expense was
2 higher there, there were more issues, greater expenses
3 incurred. So of the SARC, was the attorney present at
4 the SARC back in 2009 or 2006?

5 **MR. FRIEDMAN:** To my recollection, I have
6 attended every customer meeting in every staff-assisted
7 rate case that I have ever represented a client, and
8 this is the first time anybody has said that you don't
9 need a lawyer at a customer meeting.

10 **COMMISSIONER BROWN:** I wasn't going to say
11 anything until I started hearing Mr. Reilly talk, and I
12 do think that there are circumstances at a customer
13 meeting that could necessitate possibly legal counsel,
14 legal representation. It is the utility's choice, it is
15 their right to have an attorney present at any meeting,
16 of course. And really the crux is, is whether the costs
17 should be passed through to the customers. So I
18 understand, you know, in this circumstance the rate case
19 expense is drastically a fraction of what it previously
20 was. So I appreciate Office of Public Counsel really
21 dissecting -- and the recommendations and adjustments
22 that you proffered in your letter, some of them were
23 very, very, very good recommendations, but I'm not sure
24 this particular one I agree with.

25 **MR. KISER:** Mr. Chairman?

1 **CHAIRMAN GRAHAM:** Commissioner --

2 **MR. KISER:** Mr. Chairman?

3 **CHAIRMAN GRAHAM:** Yes, Mr. Kiser.

4 **MR. KISER:** I'd like to make a few comments
5 that might help steer a little bit more of the, of the
6 discussion on the allowable rate case expenses,
7 particularly as it pertains to attorney's fees.

8 In my previous life in one of the state's
9 larger law firms, we represented a number of large
10 corporate clients, and many of those had very specific
11 rules and guidelines for attorney's fees. Now some of
12 these I'm going to mention may not pertain to this case
13 or to this attorney that's involved, so it's just kind
14 of in general.

15 But, for example, those clients would require
16 that before they would pay your fee for the work you had
17 done that month -- for example, in conferences they
18 would only pay for one lawyer to be there from the firm.
19 If more than one attended, that's a decision the firm
20 basically eats, but they were only going to pay for one.
21 Some corporate clients would not pay travel time. You
22 know, that was just, again, "If you want our business,
23 you want to do this, then you, you don't charge for the
24 travel time."

25 And, likewise, if there are ways that they

1 could cut the bill by listening to the tape or reading
2 the court reporter documents rather than being there in
3 attendance and charging the hourly rate, those were
4 going to be required as well.

5 I can remember on several occasions being in
6 bankruptcy court and submitting my fee and having the
7 federal judge cut it in half. And he openly said to me,
8 "I don't doubt, Mr. Kiser, you put all this time in, but
9 I'm just not going to allow it. I don't think it
10 should, I don't think it should be any more than X and
11 that's what I'm going to award you," and so you're stuck
12 with that.

13 And I think that the Commission, in listening
14 to the discussion back and forth, can make a decision
15 that in cases where the revenue requirement is
16 relatively small and rate case expense exceeds it, that
17 does kick in a much closer scrutiny of all of the
18 expenses, not just the attorney's fees, but management
19 involvement, accountants, engineers, everybody that's
20 involved is going to be under very close scrutiny, and
21 you can use that as a way to try to hold down the total
22 amount of rate case expense. And, likewise, when it
23 comes to the attorney's fee, you know, it's pretty -- I
24 think it's relatively easy to look at over the last
25 several years what have been the average fees that have

1 been paid and strike a balance there that regardless of
2 what that attorney wants or announces that their fee is,
3 because this is something that the public is going to
4 absorb, you're only going to pay X. We just have to
5 have it down through probably doing some polling and,
6 and questionnaires, et cetera, as to what are those
7 normal fees that are being charged by the hour.

8 So I think this whole area is ripe for the
9 Commission. And even though maybe in the past these
10 things kind of went unnoticed and, you know, there was a
11 ball park figure of what these cases were usually worth,
12 it doesn't mean it has to always be done that way. So I
13 think the Commission has a lot of latitude when it comes
14 to this area of trying to trim these things down. And
15 if that's something that you would like our office to
16 start looking at what are some rules in the future for
17 billing practices, we'd be more than happy to undertake
18 that, because it does appear to be an area that's going
19 to continue to be troublesome when it comes to these
20 cases, particularly the staff-assisted ones, where the
21 expenses greatly exceed what the request is for. Thank
22 you.

23 **CHAIRMAN GRAHAM:** Is this your legal opinion
24 on where we should be on this case, or is this just
25 telling us what our range of flexibility is?

1 **MS. KISER:** It's mostly just trying to let you
2 know what your, what parameters that you have. And just
3 because perhaps in the past you haven't had some strict
4 guidelines for what billing is going to be accepted and
5 what's going to be acceptable doesn't mean you can't
6 develop that for the future.

7 **CHAIRMAN GRAHAM:** Okay. Commissioner Brisé.

8 **COMMISSIONER BRISÉ:** Thank you, Mr. Chairman.

9 Back to Mr. Reilly with OPC. So what helps
10 you determine when OPC is going to be present at a SARC
11 from, from a -- with a legal team?

12 **MR. REILLY:** We would not attend unless the
13 customers just really strongly ask for our presence, and
14 that has not happened. We have been --

15 **COMMISSIONER BRISÉ:** So --

16 **MR. REILLY:** So we consistently have not
17 physically been present at, at customer meetings of
18 staff-assisted rate cases.

19 **COMMISSIONER BRISÉ:** So if I -- sorry for
20 cutting you off. So if I understand your answer
21 properly, your clients, in essence, determine whether
22 you need to be there or not.

23 **MR. REILLY:** That's correct.

24 **COMMISSIONER BRISÉ:** Okay.

25 **MR. REILLY:** And our -- but we don't pass our

1 costs on to other people.

2 **COMMISSIONER BRISÉ:** Well, technically --

3 **MR. FRIEDMAN:** Yeah. I pay your salary.

4 **COMMISSIONER BRISÉ:** -- technically,
5 technically you are paid by, by all of us; right?

6 (Laughter.)

7 **CHAIRMAN GRAHAM:** Commissioner Balbis.

8 **COMMISSIONER BALBIS:** Thank you, Mr. Chairman.
9 I just want to make a comment for my colleagues. I
10 think that this case, it's similar to the last case with
11 the same utility in that we have a -- staff recommended
12 a very, you know, under -- around an \$11,000 revenue
13 increase and we have \$12,000 in regulatory expense or
14 rate case expense. And, and I appreciate Mr. Kiser
15 indicating what we can do in the future -- and I'm not
16 saying that's a bad idea, that's probably a good idea --
17 but I think we clearly have the ability, like we did in
18 the past, to look at what is reasonable and what isn't
19 reasonable. And the fact that you have \$12,000 in rate
20 case expense for an \$11,000 increase, it does require
21 additional scrutiny. And I don't believe that \$12,000
22 is reasonable, so I look forward to comments from my
23 colleagues on that.

24 **CHAIRMAN GRAHAM:** I have no lights on.

25 Commissioner Edgar.

1 **COMMISSIONER EDGAR:** Mr. Chairman, I'm not
2 even sure where to begin.

3 A few moments ago I turned my light on to
4 speak, and then as we were going in order, I turned it
5 off because Commissioner Brown made some of the, the
6 points that I was going to make. So at the risk of
7 being redundant, I will say, as I was going to, that I
8 think sometimes in these sorts of discussions the issues
9 get blurred a little bit. There were some comments
10 about that the utility should not be prohibited from
11 hiring or should be able to retain, but that's not
12 really the issue that is, is before us.

13 The issue in this one piece of this larger
14 item that is before us is for those costs, are they
15 eligible for recovery? And if they are eligible, are
16 they reasonable and do they meet whatever criteria and
17 standard would be applicable?

18 So in the item before us on Issue 7 where this
19 discussion and these items are, the staff recommendation
20 does say that based on their review, this expense,
21 referring to the \$12,802, is appropriate. So what I'd
22 like to do, if I may, is ask staff, realizing that y'all
23 did an analysis prior to this and that there has been
24 additional discussion here today, looking at that
25 section on page 24 -- and to whomever -- is it the

1 opinion of staff that the \$12,802 is eligible for
2 recovery? And then if so, is that amount reasonable and
3 appropriate?

4 **MR. MOURING:** Yes, Commissioner. Staff is
5 recommending that that, that the rate case expense
6 contained in this, in its recommendation is reasonable.
7 Staff applies the same reasonable tests to each and
8 every item that a utility requests recovery of in rate
9 case expense, as we would for any other, any other
10 docket.

11 And I think it's important to point out that
12 it's not staff's role to represent exclusively the best
13 interest of the utility; that's not what we do. We are
14 the regulators; we're a third-party entity. Office of
15 Public Counsel does exclusively represent the interest
16 of the customers, of the ratepayers. And that's
17 generally why staff looks at this, looks at a utility
18 hiring a legal, an attorney to represent their best
19 interest as a reasonable thing. They may not -- they
20 may not be prepared to respond to Office of Public
21 Counsel -- as a utility owner, as a small utility
22 company owner, they don't have the wherewithal to
23 respond to Office of Public Counsel and to represent,
24 make sure that their best interests are represented.

25 And outside of that, staff has, like I said,

1 staff has reviewed this using the same set of guidelines
2 in terms of determining reasonableness as we would for
3 any other docket.

4 And I'd also just like to point out when
5 comparing the gross amount of rate case expense that's
6 being recommended to the net increase that staff is
7 recommending in terms of revenue requirement, rate case
8 expense is amortized over four years. So the actual
9 expense that's, that's being used to set rates is only
10 one-quarter of the, the 13, 13,000 -- about \$3,200 per
11 year.

12 **COMMISSIONER EDGAR:** Thank you, Mr. Mouring.
13 And, and I appreciate you raising that, that point,
14 which isn't in the discussion, that the 12,000,
15 approximately \$12,000 that is being before us for
16 consideration for recovery would be amortized over four
17 years, and, therefore, the amount -- and I think it's
18 here on page 24 as \$3,758.

19 Mr. Chairman, just one or two more, if I --

20 **CHAIRMAN GRAHAM:** Sure.

21 **COMMISSIONER EDGAR:** Okay. Mr. -- thank you.

22 Mr. Reilly, the -- you had said, I believe, a
23 couple of times, excuse me, that for the company to
24 send, to hire and to have an attorney at the customer
25 meeting was not necessary in your opinion and was an

1 excess -- I think you said excessive expense.

2 I'm looking at this document that we have
3 before us, and I'm not sure if we got this from staff or
4 from OPC or from the company. I've got so much paper in
5 front of me.

6 **CHAIRMAN GRAHAM:** OPC.

7 **COMMISSIONER EDGAR:** OPC. Okay. The
8 three-page that has the itemized billing with some
9 shading. And on the third page there is, the second
10 item down says, "4/15/2014, travel customer meeting in
11 Lake Placid, charge \$204.47."

12 **MR. REILLY:** Yes.

13 **COMMISSIONER EDGAR:** Yeah, 204.47. That is
14 the only item on here that, that is, is readily apparent
15 to me as a cost within that \$12,800 directly relating to
16 attending personally the customer meeting. Is that the
17 charge that you are saying is excessive?

18 **MR. REILLY:** No, Commissioner. And I do
19 appreciate you pointing out that \$204.47 because that
20 should have been highlighted as well. That was missed
21 by this, by this little presentation.

22 **COMMISSIONER EDGAR:** But yet I noticed it
23 anyway.

24 **MR. REILLY:** Thank you. You can add that to,
25 to our request, because the item just above that speaks

1 of the travel to Lake Placid and conference with
2 Mr. Flynn and staff and to attend the customer meeting.
3 So we had understood that large item was really more his
4 time and effort and -- from what we could discern, but
5 we did not catch the 204.47. And so -- and obviously
6 there's some of that \$2,300 is meeting with Mr. Flynn,
7 so you have -- and she had an analysis of some prior
8 meetings and she backed that out. So our number was --
9 would you like to --

10 **COMMISSIONER EDGAR:** Okay. That's okay. So
11 in response to my question, you're also pointing out the
12 item above that that says, "Respond to" --

13 **MR. REILLY:** Yes.

14 **COMMISSIONER EDGAR:** -- "Respond to
15 correspondence, travel, conference call," et cetera,
16 would be a portion that you have specific concerns
17 about.

18 **MR. REILLY:** Right. That's correct.

19 **COMMISSIONER EDGAR:** Okay.

20 **MR. REILLY:** That's the item that we
21 highlighted.

22 And I guess the main thing is that have the
23 attorneys sitting in the room taking notes about the
24 customers' presentation doesn't really help the process
25 that much. I mean, it can be done, as your General

1 Counsel said, just as easily listening to the tape.
2 There is no role for the county -- for the attorney for
3 the company or the company at these meetings.

4 **COMMISSIONER EDGAR:** Mr. Reilly, that really
5 goes beyond my question.

6 **MR. REILLY:** Very good.

7 **COMMISSIONER EDGAR:** Thank you.

8 **CHAIRMAN GRAHAM:** Commissioners, is there any
9 comments or questions about any part of this rate case
10 that has not been touched on by OPC? Anything
11 additional? Then I am ready for a motion.

12 **COMMISSIONER EDGAR:** I move staff
13 recommendation.

14 **CHAIRMAN GRAHAM:** It's been moved and
15 seconded, staff recommendation on Item Number 7. Any
16 further discussion?

17 **COMMISSIONER EDGAR:** With modifications as
18 presented by our staff.

19 **CHAIRMAN GRAHAM:** With modifications.

20 Commissioner Brown.

21 **COMMISSIONER BROWN:** Thank you, Mr. Chairman.
22 Just a quick question. I'm supportive of the motion.

23 Just I was curious why staff didn't in item,
24 Issue 15, closing the docket, under Section 367.0814,
25 *Florida Statutes*, subsection (6), a utility shall accept

1 the final rates unless the final rates are less than the
2 existing rates. So in -- I know we didn't reference
3 that in there, in the staff recommendation, but that is
4 still accurate under the circumstances in this SARC;
5 correct?

6 **MR. TEITZMAN:** Yes, that is correct.

7 **COMMISSIONER BROWN:** Okay. With that, I
8 support the motion.

9 **CHAIRMAN GRAHAM:** Commissioner Balbis.

10 **COMMISSIONER BALBIS:** Thank you, Mr. Chairman.
11 Just a quick clarification from staff on --
12 because the motion is, includes all of the issues, which
13 includes a recommended rate structure. And staff did
14 not recommend a tiered rate structure in this case, and
15 I just want to clarify why they didn't feel that was
16 appropriate.

17 **MS. HUDSON:** Shannon Hudson. It's because the
18 customer base is very seasonal and they had low average
19 consumption.

20 **COMMISSIONER BALBIS:** Okay. Thank you.

21 **CHAIRMAN GRAHAM:** All right. Motion is on the
22 floor. It's been seconded. All in favor, say aye.

23 **COMMISSIONER BRISÉ:** Aye.

24 **COMMISSIONER EDGAR:** Aye.

25 **COMMISSIONER BROWN:** Aye.

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CHAIRMAN GRAHAM: Aye.

Any opposed?

COMMISSIONER BALBIS: Nay.

CHAIRMAN GRAHAM: By your action, you have approved staff recommendation as modified on Item Number 7.

(Agenda item concluded.)

1 STATE OF FLORIDA)
 : CERTIFICATE OF REPORTER
 2 COUNTY OF LEON)

3
 4 I, LINDA BOLES, CRR, RPR, Official Commission
 Reporter, do hereby certify that the foregoing
 5 proceeding was heard at the time and place herein
 stated.

6
 7 IT IS FURTHER CERTIFIED that I stenographically
 reported the said proceedings; that the same has been
 transcribed under my direct supervision; and that this
 8 transcript constitutes a true transcription of my notes
 of said proceedings.

9
 10 I FURTHER CERTIFY that I am not a relative, employee,
 attorney or counsel of any of the parties, nor am I a
 relative or employee of any of the parties' attorney or
 11 counsel connected with the action, nor am I financially
 interested in the action.

12 DATED THIS 10th day of June, 2014.

13
 14 *Linda Boles*

15 _____
 16 LINDA BOLES, CRR, RPR
 FPSC Official Commission Reporters
 (850) 413-6734

Lake Placid Utilities, Inc.
Docket No. 130243-WS
Current Rate Case Expense

Staff Recommendation	15,031
Less:	
Oral Modification	<u>(2,000)</u>
Total Current Rate Case Expense	<u><u>13,031</u></u>
OPC Issues to Reduce Legal Fees	
Customer Meeting	(2,135) ¹
Legal Screening of Responses to Staff Data Requests	(1,820) ²
Disallowance of Wastewater	(4,555) ³
OPC Recommended Rate Case Expense	<u><u>4,521</u></u>

1. 5.1 hours (out of 6.6) on 4/15/2014 Invoice
2. 5.2 hours on multiple invoices for screening responses
3. Allocates to wastewater using percentage in staff recommendation (Page 24 allocates \$1,872 to water and \$1,886 to wastewater which results in 49.81% to water and 50.19% to wastewater)

Parties/Staff Handout
Internal Affairs/Agenda
on 6/15/14
Item No. 7

Lake Placid Utilities, Inc.
Docket No. 130243-WS
Rate Case Expense

<i>Inv Date</i>	<i>Description</i>	<i>Attorney</i>	<i>Hours</i>	<i>Rate</i>	<i>Prof Fees</i>	<i>Expense</i>	<i>Charge</i>
9/11/2013	Prepare for and participate in conference call with Ms. Markwell, Mr. Durham, and Mr. Flynn to discuss upcoming rate case.	MSF	0.40	350.00	140.00		140.00
11/12/2013	Review audit request and letter to Ms. Markwell and Mr. Flynn concerning same. Review response	MSF	0.20	350.00	70.00		70.00
11/12/2013	Review letter from PSC acknowledging eligibility for SARC and letter to Ms. Markwell and others concerning same, letter to Highlands county.	MSF	0.40	350.00	140.00		140.00
11/12/2013	Filing Fee				-	2,000.00	2,000.00
11/12/2013	Photocopies				-	1.75	1.75
12/11/2013	Letter to PSC Clerk regarding Filing Fee and letter to Ms. Markwell and Mr. Flynn concerning same.	MSF	0.20	350.00	70.00		70.00
1/10/2014	Review staff data requests and letter to Mr. Lubertozzi concerning same; letter to Ms. Watts at PSC	MSF	0.30	350.00	105.00		105.00
1/10/2014	Photocopies				-	3.25	3.25
2/11/2014	Review documents responsive to staff's first data request and draft response; letter to Ms. Norwoods regarding remaining item	MSF	1.20	350.00	420.00		420.00
2/11/2014	Review schedules, correspondence with Ms. Norwoods and finalize first data request response	MSF	0.70	350.00	245.00		245.00
2/11/2014	Federal Express				-	26.65	26.65
2/11/2014	Photocopies				-	1.00	1.00
3/5/2014	Telephone call from Ms. Roberts at PSC; review other UI subsidiary tariffs and letter to Mr. Lubertozzi and others concerning same	MSF	0.30	350.00	105.00		105.00
3/5/2014	Correspondence for Ms. Roberts and letter to Ms. Norwoods regarding late payment charge; research recent decisions and letter to Ms. Norwoods concerning same	MSF	0.30	350.00	105.00		105.00
3/5/2014	Telephone conference with Ms. Hudson at PSC who telephoned and letter to Ms. Regence; Review response	MSF	0.30	350.00	105.00		105.00
3/5/2014	Telephone conference with Ms. Roberts of the PSC staff who telephoned regarding late fee justification	MSF	0.20	350.00	70.00		70.00
3/5/2014	Review correspondence and document from Ms. Roberts at PSC and letter to Ms. Norwoods concerning same	MSF	0.20	350.00	70.00		70.00
3/31/2014	Review revised late payment charge calculations and letter to Ms. Norwoods concerning same; Review response and letter to Ms. Roberts at PSG concerning same	MSF	0.30	350.00	105.00		105.00
3/31/2014	Review, research, and respond to correspondence from Mr. Pitts; follow up correspondence with Mr. Pitts regarding Affidavit of mailing Notice of Customer Meeting	MSF	0.30	350.00	105.00		105.00
3/31/2014	Review customer meeting notice and Affidavit of Mailing and draft and file Notice of Filing	MSF	-		-		-

Lake Placid Utilities, Inc.
Docket No. 130243-WS
Rate Case Expense

<i>Inv Date</i>	<i>Description</i>	<i>Attorney</i>	<i>Hours</i>	<i>Rate</i>	<i>Prof Fees</i>	<i>Expense</i>	<i>Charge</i>
4/15/2014	Photocopies				-	2.00	2.00
4/15/2014	Respond to correspondence Mr. Flynn on e-mail from PSG engineer; Travel to Lake Placid and conference with Mr. Flynn and PSG Staff and attend customer meeting; Return to Lake Mary office	MSF	6.60	350.00	2,310.00		2,310.00
4/15/2014	Travel-Customer meeting in Lake Placid				-	204.47	204.47
4/15/2014	Research and draft letter to librarian in Lake Placid; Letter to Mr. Vogel concerning same	MSF	0.20	350.00	70.00		70.00
4/15/2014	Telephone Conference with Ms. Golden who telephoned; Review Staff Second Data Request and letter to Mr. Hoy and others concerning same; Review initial response	MSF	0.40	350.00	140.00		140.00
	Actual Fees and Costs through April 15, 2014				<u>4,375.00</u>	<u>2,239.12</u>	<u>6,614.12</u>
	Respond to formal and informal data requests from Staff and to OPC issues and concerns	MSF	2.00	350.00	700.00		700.00
	Review Staff recommendation; Conference with client and consultants regarding recommendation; Conference with Staff regarding recommendation.	MSF	1.00	350.00	350.00		350.00
	Prepare for and attend Agenda conference, discuss Agenda with client and Staff.	MSF	10.00	350.00	3,500.00		3,500.00
	Review PAA Order; conference with client and consultants regarding PAA Order	MSF	1.00	350.00	350.00		350.00
	Prepare revised tariff sheets, obtain Staff approval of tariffs; Draft customer notice, obtain Staff approval; Draft Affidavit of Mailing; Coordinate mailing of customer notices and implementation of tariffs.	MSF	2.00	350.00	700.00		700.00
						515.00	515.00
	Costs to Attend Agenda Conference (travel, meals, hotel)					50.00	50.00
	Estimated photocopy costs					30.00	30.00
	Estimated courier costs						
					<u>9,975.00</u>	<u>2,834.12</u>	<u>12,809.12</u>
	Looks like the staff recommendation removed the \$7 for copies					(7.00)	(7.00)
					<u>9,975.00</u>	<u>2,827.12</u>	<u>12,802.12</u>