

STATE OF FLORIDA



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Public Service Commission

August 3, 2016

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2016 AUG -3 PM 4: 12
COMMISSION
CLERK

Mr. F. Marshall Deterding
Sundstrom & Mindlin, LLP
2548 Blairstone Pines Drive
Tallahassee, FL 32301

Re: Docket No. 160030-WS - Application for increase in water and wastewater rates in Lee and Pasco Counties by Ni Florida, LLC.

Dear Mr. Deterding:

By this letter, Commission staff requests that Ni Florida, LLC (Ni Florida or utility) provide responses to the following data requests:

1. In response to staff's first data request, Item 1, the utility provided documentation related to its Rhodes Road pro forma project that included a list of six invoices, totaling \$3,132.95, from 2011. Please provide the following invoices which were referenced, but not included, in the utility's previous response:

6/01/11	Key Engineering, Invoice #11-033,	\$405.00
5/01/11	Key Engineering, Invoice #11-023,	\$1,895.45
4/01/11	Key Engineering, Invoice #11-016,	\$337.50
2/01/11	Key Engineering, Invoice #11-003,	\$67.50
1/01/11	Key Engineering, Invoice #10-136,	\$270.00
4/27/11	Utility Group of Florida, Invoice #13713,	\$157.50

2. For each invoice listed above, please explain in detail how the work performed specifically relates to the Rhodes Road project.
3. In response to staff's first data request, Item 1, the utility provided documentation showing \$832.50 of the 2011 expense was included in a deferred preliminary survey account. According to the utility's response, additional amounts of \$405 and \$1,895.45 were initially recorded in engineering O&M and then also moved to preliminary survey, but no support documentation was provided. Please provide support documentation showing that the additional amounts were placed into a deferred account.

4. Please provide an updated in-service date for the Tower Drive pro forma project. If available, please provide a copy of the DEP approval letter.
5. Please provide any additional invoices related to the Tower Drive project that were not included in the utility's response to staff's first data request, Item 1. As part of the response, please provide an estimate to the complete the project if there is still work remaining.
6. In response to staff's first data request, Item 6, the utility provided billing detail related to contractual services – legal expense. The responses included 9.1 hours, or \$3,165, for work related to the four-year rate reduction. Please explain why it was necessary for an attorney to perform this work.
7. In response to staff's first data request, Item 7, one of the expenses was related to an audit of the entire Ni Florida wastewater collection system totaling \$17,851.12. Please explain how often the utility performs this type of audit, when the last audit took place, and how the utility uses the results. As part of your response, please provide a copy of the audit findings.
8. Please explain why wastewater contractual services – other expense has increased substantially since the utility's last rate case. Include in your response whether the utility anticipates a reduction in any portion of this expense going forward as a result of the completion of the pro forma projects being considered in this rate case.
9. Please explain why miscellaneous expenses for water and wastewater have increased by over 88 percent and 75 percent, respectively, since the utility's last rate case.
10. In response to staff's first data request, Item 10, the utility said that it would provide staff with updated rate case expense "in early to mid September." Since staff's revenue requirement will be calculated prior to that time, please update Ni Florida's requested rate case expense, including costs incurred through July 2016 and estimated costs to complete through the PAA process. In addition, please provide supporting documentation (i.e., invoices or receipts) as well as a detailed explanation and calculations to justify estimated expense to completion.

The following request addresses the Rhodes Road – ROPES Project

11. Please provide the following:
 - a. Project timeline through anticipated in-service date.
 - b. Three complete contractor bids for all work planned. If three bids are not available, please provide an explanation of attempts made to obtain bids.
 - c. Asset additions and retirements for this project, broken down using NARUC Universal System of Accounts.

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The following request addresses the Tower Drive Collection System Replacement Project

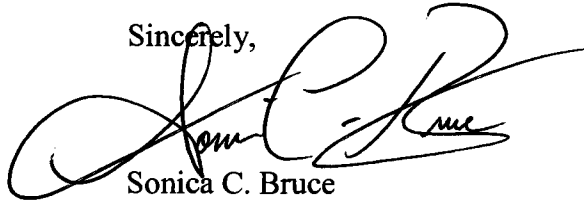
12. Please provide the following:

- a. Project timeline through anticipated in-service date.
- b. Three complete contractor bids for all work planned. If three bids are not available, please provide an explanation of attempts made to obtain bids.
- c. Asset additions and retirements for this project, broken down using NARUC Universal System of Accounts.

13. Please provide an explanation of the utility's method for distributing Boil Water Notices, and a list of all Boil Water Notices issued in the past 5 years

Please respond to staff's data request by August 17, 2016 to allow this docket to be processed within the statutory time frame. Please submit your response to the Office of Commission Clerk, Docket No. 160030-WS, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0850. The information should not be addressed to staff. If you have any questions, please feel free to contact me at (850) 413-6994.

Sincerely,

A handwritten signature in black ink, appearing to read "Sonica C. Bruce", written over a large, stylized flourish.

Sonica C. Bruce

SB

cc: Office of Commission Clerk (Docket No. 160030-WS)