

LAKESIDE WATERWORKS, INC.

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FPSC - COMMISSION CLERK

June 16, 2017

Office of Commission Clerk
Florida Public Service Commission
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

*Re: Re: Docket No. 160195-WS - Application for Staff Assisted Rate Case (SARC)
in Lake County by Lakeside Waterworks, Inc. – Supplemental Response to OPC
Letter of Concerns*

Dear Commission Clerk,

Lakeside Waterworks, Inc. (Lakeside) hereby submits its supplemental response to Item 4 in the Office of Public Counsel's (OPC) Letter of Concerns dated May 26, 2017.

- 4. Miscellaneous Plant Additions:** It is unclear as to why OPC is questioning Invoice 787751. This item was previously addressed in Lakeside's previous SARC in Docket No. 130194-WS. The previous SARC was the subject of a Settlement Agreement with the OPC which was approved by the Commission through a joint motion with both OPC and Lakeside. The Commission specifically approved this item in Order No. PSC-15-0013-PAA-WS, issued January 2, 2015. On Page No. 7 of this previous Order, the Commission stated:

Lakeside provided two invoices for repairs at the water treatment plant, asserting the replacements and repairs were necessary to comply with a regulatory mandate. The first invoice was for \$5,296 and the second was for \$1,766, for a total of \$7,062. In a data request response filed June 5, 2014, the Utility stated that there are no specific cost savings associated with completing this project. In a data request response filed October 15, 2014, the Utility stated that the additional pumps will improve the removal of hydrogen sulfides, improve chlorine residuals in the tank and distribution system, and also discourage algae growth in the treatment system components. We have reviewed the invoices and description of the work performed, and find that the pro forma plant repairs are justified and prudent. Thus, we shall approve \$7,062 in pro forma water plant.

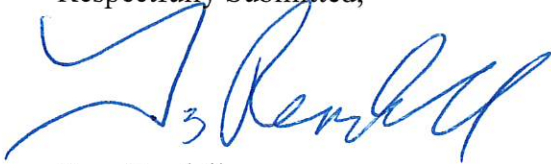
In addition, Lakeside previously addressed this item in Document Nos. **00352-14** and **05882-14** filed in Docket No. 130194-WS. Lakeside does not believe it is appropriate to now call into question a previously approved pro forma item, in which the OPC agreed to in the signed Settlement Agreement dated June 2, 2014. Lakeside worked extremely

4939 Cross Bayou Boulevard, New Port Richey, Florida 34652
Tel: 727-848-8292

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close with the OPC in obtaining this Settlement Agreement and in fact was a party to the Joint Motion Requesting Commission Approval of Settlement Agreement filed November 21, 2014 – see Document No. 06428-14. To now question a signed Settlement Agreement would have a chilling effect on all future potential settlements negotiated with the OPC on behalf of the customers and HOA.

Respectfully Submitted,



Troy Rendell
Manager of Regulated Utilities
// For Lakeside Waterworks, Inc.