FILED 8/9/2019 DOCUMENT NO. 07330-2019 FPSC - COMMISSION CLERK

Commissioners: Art Graham, Chairman Julie I. Brown Donald J. Polmann Gary F. Clark Andrew Giles Fay STATE OF FLORIDA

DIVISION OF ECONOMICS JUDY HARLOW DIRECTOR (850) 413-6842

Public Service Commission

August 9, 2019

Martin S. Friedman, Esquire Dean Mead 420 S. Orange Ave., Suite 700 Orlando, FL 32801

STAFF'S SECOND DATA REQUEST

in

Re: Docket No. 20190031-WU - In re: Application for increase in water rates in Highlands County by Placid Lakes Utilities, Inc.

Dear Mr. Friedman:

By this letter, the Commission staff requests that Placid Lakes Utilities, Inc. (Placid Lakes or utility) provide responses to the following data requests.

- 1. Please refer to Placid Lakes' response to staff's first data request, question 8a.
 - a. The utility stated that "[t]he water treatment plant (WTP) system was failing for unknown reasons." Please provide a detailed explanation of the system failure, including when the failure occurred and any causes for the failure that have since been identified.
 - b. When and how many companies were contacted to obtain bids for the Control System Project?
 - c. When and how many companies were contacted to obtain bids for the Variable Flow Pumps Project?
- 2. Please refer to Placid Lakes' response to staff's first data request, question 8b Please provide the plan designed by the Florida Rural Water Association for the installation of the hydrogen peroxide treatment system.
- 3. Please refer to Placid Lakes' response to staff's first data request, question 8b.
 - a. Please provide the invoice for the "Source Names" of J. H. Ham Engineering, Inc. as listed on the Hydrogen Peroxide Project Transaction Report.
 - b. The amount listed on the Hydrogen Peroxide Project Transaction Report for pump and blower is \$2,610.99; however, the invoice provided from Pat's

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Pump & Blower, LLC dated 11/30/2018 is for the amount of \$2,430.99. Please explain the discrepancy between these amounts.

- c. The amount listed on the Hydrogen Peroxide Project Transaction Report for Home Depot on 4/21/2019 is \$382.57; however, the provided invoice dated 4/4/2019 is for the amount of \$263.32. Please explain the discrepancy between these amounts.
- d. The amount listed on the Hydrogen Peroxide Project Transaction Report for Heartland Visa on 4/4/2019 is \$585.90. Please provide a description of the item(s) purchased.
- 4. Please refer to Placid Lakes' response to staff's first data request, question 8b. Please provide the invoice for the amount of \$30,000 listed on the Control System Project Transaction Report. If no invoice is available, please explain why.
- 5. Please refer to Placid Lakes' response to staff's first data request, question 12.
 - a. What is the estimated monthly Chemicals expense for the new hydrogen peroxide treatment system, including the quantity purchased, unit price, and dosage rate?
 - b. What basis was used to estimate the monthly Chemicals expense for the new hydrogen peroxide treatment system?
 - c. The utility stated that the existing gas chlorination treatment system will be used to supplement the hydrogen peroxide in the water towers. Does the utility anticipate a decrease in the amount of chlorine and sequestall used? If so, please provide an updated MFR Volume III, Schedule I - Chemicals Used.
- 6. Please refer to MFR Volume III, page 265. The utility estimated a total cost of \$1,080 for parts related to the meter replacements. Please provide a description of the general types of parts that the utility anticipates will be needed.
- Please advise if there were any unusual circumstances such as fires or flushing for the following dates: 10/20/2018, 10/26/2018, 10/28/2018, 11/01/2018, and 11/04/2018. If an unusual event occurred, please describe it, provide the amount of water used or lost, and the date it happened.
- 8. Were there any line breaks or water leaks in the system during the calendar year 2018 (test year), aside from the water line break on Farrell? If yes, were the leaks fixed? Please describe the incidents and provide the dates of the leaks.

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Please file all responses electronically no later than September 9, 2019, at the Commission's website at <u>www.floridapsc.com</u>, by selecting the Clerk's Office and Electronic Filing Web Form. Should you have any questions, please feel free to contact me at (850) 413-6473 or email me at <u>mramos@psc.state.fl</u>.

Sincerely,

Mamas

Marissa Ramos Public Utility Analyst III

cc: Division of Commission Clerk (Docket No. 20190031-WU) Martin S. Friedman