

STATE OF FLORIDA



COMMISSIONERS:
ART GRAHAM, CHAIRMAN
JULIE I. BROWN
DONALD J. POLMANN
GARY F. CLARK
ANDREW GILES FAY

DIVISION OF ENGINEERING
TOM BALLINGER
DIRECTOR
(850) 413-6910

Public Service Commission

November 8, 2019

Martin S. Friedman, Esquire
Dean & Mead Law Firm
420 S. Orange Avenue, Suite 700
Orlando, FL 32801
mfriedman@deanmead.com

**STAFF'S FIRST DATA REQUEST
VIA EMAIL & US MAIL**

Re: Docket No. 20190147-WS - Application for certificates to provide water and wastewater service in Brevard County by River Grove Utilities, Inc.

Dear Mr. Friedman:

Please provide a response to the following questions regarding River Grove Utilities, Inc.'s (River Grove or Utility) application for original water and wastewater certificates to the Office of Commission Clerk, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, by **December 10, 2019**.

ACCOUNTING INFORMATION

1. According to Exhibit 17A of River Grove's application, the Utility shows a balance of \$30,000 in Account 334, meters and meter installations. However, according to Exhibit 18, the Utility will collect \$60,716 in CIAC attributed to meters and meter installations. Please reconcile this difference.
2. Please provide the invoices for each line item included in Exhibit 18.
3. Please provide documentation and/or calculations verifying inputs for the following items from Exhibit 19A.
 - a. Transportation expense.
 - b. Insurance expense.
 - c. Miscellaneous expense.
4. Please provide documentation and/or calculations verifying inputs for the following items from Exhibit 19B.
 - a. Purchased power expense.
 - b. Materials and supplies expense.
 - c. Transportation expense.
 - d. Insurance expense.
 - e. Miscellaneous expense.

5. According to Exhibit 19A and 19B, there are no salaries and wages expenses associated with the water system and \$68,533 in salaries and wages expenses associated with the wastewater system. Please provide descriptions, salaries, and any other documentation related to all positions supporting the requested salaries and wages expenses for the wastewater system. Additionally, please explain why salaries and wages expenses have not been allocated to the water system.
6. Please provide all calculations and documentation the Utility used to estimate the expenses included in contractual services for both the water and wastewater systems.
7. Please provide documentation supporting the millage rate used to calculate property taxes.
8. Please provide supporting documentation verifying the common equity included in Exhibit 20.
9. Please explain the unreconciled adjustment of \$2,100 to common equity included in Exhibit 20.

RATES & RATE STRUCTURE

10. Please explain the methodology behind the Utility's percent allocation of its revenues between the base facility charge and gallonage charge for its water and wastewater systems.

MISCELLANEOUS SERVICE CHARGES

11. Regarding the Utility's labor calculation for its requested miscellaneous service charges, the Utility calculated the labor component using an hourly salary of \$20 and 1.33 hours to administer miscellaneous services. Typically, the Commission evaluates the labor component of requested miscellaneous service charges based on the separate administrative and field duties involved with administering miscellaneous services. Furthermore, the Commission typically approves miscellaneous service charges based on one-fourth hour of administrative labor and one-third hour of field labor.
 - a. Please specify how much of the 1.33 hours is attributable to administrative and field labor respectively and the job functions performed by each.
12. Please explain if there is supervisory labor performed while processing miscellaneous service charges as similarly indicated while processing the Utility's requested late payment charge. If not, please explain why.

Martin S. Friedman, Esquire

Page 3

November 8, 2019

Please contact me by phone at (850) 413-6952 or by email at mwatts@psc.state.fl.us, if you have any questions.

Sincerely,

A handwritten signature in purple ink that reads "Melinda Watts" followed by a stylized flourish.

Melinda Watts
Engineering Specialist

MW:jp

cc: Office of the Commission Clerk (Docket No. 20190147-WS)