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May 19, 2022
via efilng

Adam Teitzman, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 20200185-WS - Application for certificates to provide water and wastewater service in Lake and Sumter Counties, by Gibson Place Utility Company, LLC.

Dear Mr. Tietzman:

On behalf of Gibson Place Utility Company, LLC (“Utility”) this letter is the response to Staff’s First Data Request dated May 18, 2022.

1. The Utility’s breakdown of Plant, Depreciation, CIAC and Amortization of CIAC on Schedule 1B support does not provide the account numbers for each wastewater account. Please provide the NARUC account numbers for each of the wastewater accounts listed on Schedule 1B support.

Response: See Attachment IDR, #1.

2. The Utility provided the Pro Forma Plant amounts at 100 percent of the design capacity for water and wastewater in Schedule Nos. 1A and 1B. Please provide the Pro Forma Plant amounts at 80 percent of the design capacity for water and wastewater.

Response: See Attachment IDR, #2.

3. In the Operation and Maintenance expenses, the Utility recorded an expense for Contractual Services. Please provide a breakdown of specific services and respective charges included in 630/730 Contractual Services.

Response: The expense items for 630/730 Contractual Services represent the Utility operations expense associated with a contracted operations and maintenance contractor

May 19, 2022

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that will provide such services to the Utility. The services include specific items that include, but are not limited to, the following:

- *Water distribution system operation, maintenance & repairs (630)*
- *Water treatment plant operation, maintenance & repairs (630)*
- *Wastewater collection system operation, maintenance & repairs (730)*
- *Wastewater lift station operation, maintenance & repairs (730)*
- *Wastewater treatment plant operation, maintenance & repairs (730)*
- *Meter reading services (630/730)*
- *Laboratory services (630/730)*

The estimated operations and maintenance contractor expense is quoted as a lump sum amount, and a breakdown of the charges associated with the specific services is not available.

Should you or Staff have any questions regarding this response please do not hesitate to contact me.

Very truly yours,

/s/ Martin S. Friedman
Martin Friedman

MSF:

Cc: Melinda Watts (via email)
Shaw Stiller (via email)

ATTACHMENT IDR, #1

Gibson Place Utilities
Wastewater Plant, Depreciation, CIAC and Amortization

Schedule 1B support

Page 1 of 2

Docket No.: 20200185-WS

Data Request 1, Response to #1

Type	Annual Plant Additions						
	2022	2023	2024	2025	2026	2027	TOTAL
Cumm. Homes	0	1500	4500	7500	10500	12,000	
363 Sewer Laterals	\$0	\$755,330	\$1,540,874	\$1,571,691	\$1,603,125	\$817,594	\$6,288,615
361 Collec. Sys	\$0	\$3,021,322	\$6,163,496	\$6,286,766	\$6,412,501	\$3,270,376	\$25,154,461
360 Force Main	\$2,142,410	\$1,283,829	\$553,152	\$1,389,845	\$0	\$0	\$5,369,236
354 Lift Stations Struct	\$738,000	\$661,894	\$678,441	\$695,402	\$0	\$0	\$2,773,737
371 Lift Stations Equip	\$1,312,000	\$1,176,700	\$1,206,118	\$1,236,270	\$0	\$0	\$4,931,088
354 WWTP Structures	\$9,081,570	\$0	\$14,077,533	\$0	\$0	\$0	\$36,028,614
380 WWTP Equipment	\$14,789,065	\$0	\$14,077,533	\$0	\$0	\$0	\$34,648,552

Depreciation Life	Annual additions - AD					
	2022	2023	2024	2025	2026	2027
38		\$ 19,877	\$ 40,549	\$ 41,360	\$ 42,188	\$ 42,188
45		\$ 67,140	\$ 136,967	\$ 139,706	\$ 142,500	\$ 142,500
30		\$ 114,208	\$ 18,438	\$ 46,328	\$ -	\$ -
32		\$ 43,747	\$ 21,201	\$ 21,731	\$ -	\$ -
18		\$ 138,261	\$ 67,007	\$ 68,682	\$ -	\$ -
32		\$ 685,971	\$ 439,923	\$ -	\$ -	\$ -
18		\$ 1,142,834	\$ 782,085	\$ -	\$ -	\$ -

351 Organization Cost	
Milian, Swain & Associates	\$32,500
Friedman & Friedman	\$5,000
Arnett Environmental	\$34,000
The Villages	\$300,000
Clymer Farner Barley	\$52,750
Filing Fee	\$3,000

351 Organization Cost	\$427,250	\$0	\$0	\$0	\$0	\$0	\$427,250
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40	\$ 10,681	\$ -	\$ -	\$ -	\$ -
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TOTAL	\$28,490,295	\$6,899,075	\$38,297,147	\$11,179,975	\$8,015,627	\$4,087,970	\$115,621,552
CUMULATIVE	\$47,141,759	\$54,040,834	\$92,337,980	\$103,517,956	\$111,533,582	\$115,621,552	\$115,621,552

\$ -	\$ 2,212,039	\$ 1,506,170	\$ 317,807	\$ 184,688	\$ 184,688
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CIAC Table - PROPOSED RATES	
Fee - Plant	\$2,737 Schedule 4
Fee - T&D	\$1,130 Schedule 4
Total T&D Cost	\$36,812,312 Schedule 1B
Total Factored ERCs	13,693 Capacity

Year	2022	2023	2024	2025	2026	2027	TOTAL
Factored ERCs	0	2,855	3,096	3,092	3,094	1,557	13,693
Factored ERCs without Middl	0	1,540	3,096	3,092	3,094	1,557	12,378
Annual CIAC - Plant	\$0	\$7,812,767	\$8,472,384	\$8,461,436	\$8,468,278	\$4,261,509	\$37,476,373
Annual CIAC - T&D	\$0	\$1,739,635	\$3,497,915	\$3,493,395	\$3,496,220	\$1,759,410	\$13,986,575
TOTAL	\$0	\$9,552,402	\$11,970,299	\$11,954,831	\$11,964,498	\$6,020,919	\$51,462,948

Annual additions - Accum Amortization						
24	\$ -	\$ 329,337	\$ 357,143	\$ 356,681	\$ 356,969	\$ 356,969
41	\$ -	\$ 41,977	\$ 84,405	\$ 84,296	\$ 84,364	\$ 84,364
	\$0	\$371,315	\$441,547	\$440,977	\$441,333	\$441,333

Type	Accumulated Depreciation					
	2022	2023	2024	2025	2026	2027
363 Sewer Laterals	\$ -	\$ 9,939	\$ 50,090	\$ 131,197	\$ 254,077	\$ 419,145
361 Collec. Sys	\$ -	\$ 33,570	\$ 169,194	\$ 443,154	\$ 858,217	\$ 1,415,780
360 Force Main	\$ -	\$ 57,104	\$ 180,531	\$ 336,342	\$ 515,316	\$ 694,291
354 Lift Stations Struct	\$ -	\$ 21,873	\$ 76,221	\$ 152,034	\$ 238,714	\$ 325,393
371 Lift Stations Equip	\$ -	\$ 69,131	\$ 240,895	\$ 480,503	\$ 754,453	\$ 1,028,402
354 WWTP Structures	\$ -	\$ 342,986	\$ 1,248,918	\$ 2,374,813	\$ 3,500,707	\$ 4,626,601
380 WWTP Equipment	\$ -	\$ 571,417	\$ 2,105,294	\$ 4,030,214	\$ 5,955,133	\$ 7,880,053

2022	2023	2024	2025	2026	2027
\$ -	\$ 9,939	\$ 40,152	\$ 81,107	\$ 122,880	\$ 165,068
\$ -	\$ 33,570	\$ 135,624	\$ 273,960	\$ 415,063	\$ 557,563
\$ -	\$ 57,104	\$ 123,427	\$ 155,810	\$ 178,975	\$ 178,975
\$ -	\$ 21,873	\$ 54,347	\$ 75,814	\$ 86,679	\$ 86,679
\$ -	\$ 69,131	\$ 171,764	\$ 239,608	\$ 273,949	\$ 273,949
\$ -	\$ 342,986	\$ 905,933	\$ 1,125,894	\$ 1,125,894	\$ 1,125,894
\$ -	\$ 571,417	\$ 1,533,877	\$ 1,924,920	\$ 1,924,920	\$ 1,924,920

351 Organization Cost	\$ -	\$ 5,341	\$ 16,022	\$ 26,703	\$ 37,384	\$ 48,066
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\$ -	\$ 5,341	\$ 10,681	\$ 10,681	\$ 10,681	\$ 10,681
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TOTAL	\$0	\$1,111,360	\$4,087,165	\$7,974,960	\$12,114,001	\$16,437,730
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\$0	\$1,111,360	\$2,975,805	\$3,887,794	\$4,139,042	\$4,323,729
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Average Depreciation Rates			
	Plant	Lines	Total
Depr Exp	\$ 3,587,192	\$ 736,538	\$4,323,729
Plant	\$85,097,855	\$30,523,697	\$115,621,552
Depr %	4.215%	2.413%	3.740%
Depr life	23.72	41.44	26.74

Accumulated Amortization						
Annual CIAC - Plant	\$ -	\$ 164,669	\$ 672,577	\$ 1,537,397	\$ 2,759,043	\$ 4,337,658
Annual CIAC - T&D	\$ -	\$ 20,989	\$ 105,169	\$ 273,699	\$ 526,558	\$ 863,782
TOTAL	\$0	\$185,657	\$777,746	\$1,811,096	\$3,285,601	\$5,201,440

Amortization Expense					
\$ -	\$ 164,669	\$ 507,908	\$ 864,820	\$ 1,221,645	\$ 1,578,615
\$ -	\$ 20,989	\$ 84,180	\$ 168,530	\$ 252,860	\$ 337,224
\$0	\$185,657	\$592,088	\$1,033,350	\$1,474,505	\$1,915,839

ATTACHMENT 1DR, #2

Schedule 1A
Docket No.: 20200185-WS

Data Request 1, Response to #2

Gibson Place Utilities, LLC
Initial Rates and Charges
Pro Forma Water Utility Plant
Projected December 31, 2027

Line No.	NARUC Acct.	Description				80% (2026)		
			Water	Accumulated Depreciation	Net Plant	Water	Accumulated Depreciation	Net Plant
1	301	Organization	\$ 427,250	\$ 48,066	\$ 379,184	\$ 427,250	\$ 37,384	\$ 389,866
2	302	Franchises						
3	303	Land and Land Rights	151,008		151,008	151,008		151,008
4	304	Structures and Improvements	4,724,287	642,609	4,081,679	4,724,287	494,738	4,229,549
5	305	Collecting and Impounding Reservoirs						
6	306	Lake, River and Other Intakes						
7	307	Wells and Springs	-	-	-	-	-	-
8	309	Supply Mains						
9	310	Power Generation Equipment						
10	311	Pumping Equipment						
11	320	Water Treatment Equipment	6,459,713	1,277,293	5,182,420	6,459,713	983,376	5,476,337
12	330	Distribution Reservoirs and Standpipes	3,469,000	325,938	3,143,063	3,469,000	239,213	3,229,788
13	331	Transmission and Distribution Mains	22,465,925	1,695,242	20,770,683	21,125,866	1,188,360	19,937,505
14	333	Services	10,006,564	617,980	9,388,584	8,705,593	384,078	8,321,515
15	334	Meters and Meter Installation						
16	335	Hydrants	3,268,527	179,428	3,089,100	2,843,580	111,515	2,732,065
17	339	Other Plant and Miscellaneous Equipment						
18	340	Office Furniture and Equipment						
19	341	Transportation Equipment						
20	343	Tools, Shop and Garage Equipment						
21	345	Power Operated Equipment						
22	346	Communication Equipment						
23	348	Other Tangible Plant						
24			<u>\$ 50,972,274</u>	<u>\$ 4,786,554</u>	<u>\$ 46,185,720</u>	<u>\$ 47,906,297</u>	<u>\$ 3,438,665</u>	<u>\$ 44,467,632</u>
25								
26		Treatment Capacity	4.99 mgd					
27		Line Capacity	12,000 ERCs					
28		ERC =	80 GPD					

Schedule 1 B
Docket No.: 20200185-WS

Data Request 1, Response to #2

Gibson Place Utilities, LLC
Initial Rates and Charges
Pro Forma Wastewater Utility Plant
Projected December 31, 2027

Line No.	NARUC Acct.	Description				80% (2026)		
			Wastewater	Accumulated Depreciation	Net Plant	Wastewater	Accumulated Depreciation	Net Plant
1	351	Organization	\$ 427,250	\$ 48,066	\$ 379,184	\$ 427,250	\$ 37,384	\$ 389,866
2	352	Franchises						
3	353	Land and Land Rights	1,617,500		1,617,500	1,617,500		1,617,500
4	354	Structures and Improvements	38,802,351	4,951,994	33,850,357	38,802,351	3,739,420	35,062,930
5	360	Collecting Wastewater - Force	5,369,236	694,291	4,674,945	5,369,236	515,316	4,853,920
6	361	Collecting Wastewater - Gravity	25,154,461	1,415,780	23,738,681	21,884,085	858,217	21,025,868
7	362	Special Collecting Structures						
8	363	Services to Customers	6,288,615	419,145	5,869,470	5,471,021	254,077	5,216,944
9	364	Flow Measuring Devices						
10	365	Flor Measuring Installations						
11	370	Receiving Wells						
12	371	Pumping Equipment	4,931,088	1,028,402	3,902,686	4,931,088	754,453	4,176,635
13	380	Treatment and Disposal Equipment	34,648,552	7,880,053	26,768,499	34,648,552	5,955,133	28,693,418
14	381	Plant Sewers						
15	382	Outfall Wastewater Lines						
16	389	Other Plant and Miscellaneous Equipment						
17	390	Office Furniture and Equipment						
18	391	Transportation Equipment						
19	393	Tools, Shop and Garage Equipment						
20	395	Power Operated Equipment						
21	398	Other Tangible Plant						
22			<u>\$ 117,239,052</u>	<u>\$ 16,437,730</u>	<u>\$ 100,801,322</u>	<u>\$ 113,151,082</u>	<u>\$ 12,114,001</u>	<u>\$ 101,037,081</u>
23								
24		Treatment Capacity		4.0 mgd				
25		Line Capacity (per factored ERCs)		12,000 ERCs				
26		ERC =		80 GPD				