State of Florida

FILED 4/21/2023 DOCUMENT NO. 02806-2023 FPSC - COMMISSION CLERK

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

- **DATE:** April 21, 2023
- **TO:** Adam J. Teitzman, Commission Clerk, Office of Commission Clerk
- **FROM:** Christopher R. Richards, Public Utility Analyst III, Division of Accounting & Finance *CRR*
- **RE:** Docket No. 20220157-WU -- Applications for staff-assisted rate case in Polk County by Keen Sales, Rentals and Utilities, Inc.

Please place the attached Utility's response to Staff's Third Data Request along with an attached invoice from Duke Energy in the docket file listed above.

Attachment.

Commissioners: Andrew Giles Fay, Chairman Art Graham Gary F. Clark Mike La Rosa Gabriella Passidomo



Division of Accounting and Finance Andrew L. Maurey Director (850) 413-6900

Public Service Commission

March 27, 2023

Ms. Mindy Keen Keen Sales, Rentals and Utilities, Inc. 685 Dyson Road Haines City, FL 33844 mindykeen1964@yahoo.com

STAFF'S THIRD DATA REQUEST VIA EMAIL

Re: Docket No. 20220157-WU - Application for staff-assisted rate case in Polk County by Keen Sales, Rentals and Utilities, Inc.

Dear Ms. Keen:

Staff is requesting the following information to ensure accurate treatment of the above-referenced rate case for the test year ended December 31, 2021.

 Long-Term Debt: Staff calculated a total of \$28,339 in long-term debt for Keen Subdivision. This amount includes \$20,089 for the 2018 tank replacement, and \$8,250 for Keen Subdivision's portion of a \$15,000 loan from the utility Owner. Staff also calculated \$6,750 for Paradise Island's portion of a \$15,000 loan from the utility Owner. Staff's calculations are shown in the table below.

System	Description	Amount
Keen Subdivision	Long-Term Debt per Utility	\$64,408
Keen Subdivision	Less 2018 Tank Replacement Cost	\$20,089
Keen Subdivision	Less Allocated Portion of \$15,000 Loan From Owner	\$8,250
Keen Subdivision	Remaining Balance Need Verification	\$36,069
Paradise Island	Long-Term Debt per Utility	\$20,089
Paradise Island	Less Allocated Portion of \$15,000 Loan From Owner	\$6,750
Paradise Island	Remaining Balance Need Verification	\$13,339

Please provide the following information for the remaining \$36,069 in long-term debt for Keen Subdivision, and the remaining \$13,339 in long-term debt for Paradise Island:

- a. Holder of the loan(s) *Earlene Keen*
- b. Relationship to utility of loan holder(s) Owner
- c. Interest rate on loan(s) $\frac{0\% interest}{10\%}$
- d. What payments, if any, the Utility is currently making on the loan(s). none

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Internet E-mail: contact@psc.state.fl.us

Ms. Mindy Keen Page 2 March 27, 2023

- 2. <u>Short-Term Debt</u>: Please reference Staff's Second Data Request question 4,
 - a. Is the \$1,386 the total amount of short-term debt used by both Keen Subdivision and Paradise Island? Is this amount specifically attributable to one system? If only one system, please identify which. Both systems
 - b. What is the interest rate on this loan held by Wells Fargo? $\frac{9\%}{2}$
- 3. <u>Accumulated Deferred Income Taxes (ADITS)</u>: Please provide details on the ADIT balance of \$1,982 for Paradise Island. Please also explain why an ADIT balance is recorded for Paradise Island and not Keen Subdivision. *There is no item deferred tax for \$1,982. There is accrued taxes for \$1,982. That item is to accrue the tax owed on the utility report to your department.*
- 4. <u>Audit Findings:</u> Please reference Audit Finding 5, and provide either an explanation or invoices for the missing supporting documentation.
 - a. Keen Subdivision:
 - i. Purchased Power: Missing documentation for \$152. Not able to figure out which invoices collectively make up this amount but it is for Electric by Duke Energy
 - ii. Contractual Services Engineering: Missing documentation for \$1,767. Not able to figure out which inovices collectively make up this amount. I cant even find an account for Engineering.
 - iii. Contractual Services Testing: Missing documentation for \$498. Not able to figure out which invoices make up this amount but it would be for Tri-Florida (operator).
 - iv. Transportation Expense: Missing documentation for \$24. *This is for gas for golf cart for reading meters. No receipt available.*
 - b. Paradise Island:
 - i. Contractual Services Professional: Missing documentation for \$25. *This is for lawn service all at the wellsite.*
 - ii. Contractual Services Testing: Missing documentation for \$612. Not able to figure out which invoices collectively make up this amount but its for Tri-Florida (operator).
 - iii. Miscellaneous Expense: Missing documentation for \$805. Invoice attached. (this invoice had been sent to Ron & Tomar)

Please file the response to Staff's Third Data Request with the Office of the Commission Clerk no later than **April 17, 2023**. Please include the docket number (20220157-WU) on all filings with the Commission Clerk.

If you have any questions please contact Christopher Richards at 850-413-6742, or email <u>crichard@psc.state.fl.us</u>.

Sincerely,

Ms. Mindy Keen Page 3 March 27, 2023

Isl Christopher R. Richards

Christopher R. Richards Public Utility Analyst III

cc: Office of the Commission Clerk (Docket No. 20220157-WU)

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		10 at # Invoice:	F3328696406		
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		Customer ID:	000210610		
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547 PARADISE-ISI		Due Date:	3/25/2021		
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	Wells Fargo - Florida	Corporation Code:	50226		
Duke Energy PO Box 602880	121000248	Please Pay By:	3/25/2021		
Charlotte NC 28260-2880		Customer ID:	000210610		
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