Commissioners: Julie I. Brown, Chairman Lisa Polak Edgar Art Graham Ronald A. Brisé Jimmy Patronis

STATE OF FLORIDA



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

Public Service Commission

December 7, 2016

Mr. John L. Wharton Dean Law Firm 215 South Monroe Street, Suite 815 Tallahassee, FL 32301 jwharton@deanmead.com

STAFF'S SECOND DATA REQUEST VIA EMAIL & US MAIL

Re: Docket No. 130105-WS-Application for certificates to provide water and wastewater service in Hendry and Collier Counties, by Consolidated Services of Hendry & Collier, LLC.

Dear Mr. Wharton:

Please provide the additional information requested below regarding Consolidated Services of Hendry & Collier, LLC's (Consolidated or Utility) Rate Study, submitted on July 19, 2016. Consolidated should submit the requested information by December 26, 2016.

- 1. In response to staff's first data request, Item 12, the Utility provided the amount of land required for each treatment facility. Based on these allocations, the land for the projected water plant is valued at \$23,200 per acre and the land for the projected wastewater plant is valued at \$4,160 per acre.
- 2. Please explain why land is included in rate base if the Utility is leasing the land.
- 3. On August 18, 2016, the Office of Public Counsel filed a letter, which was placed in the docket file, stating concerns about the inclusion of the land lease and royalty payments. Please respond to these concerns.
- 4. Pursuant to Rule 25-30.033(1)(n), Florida Administrative Code (F.A.C.), when a utility estimates future usage per household, they must also provide a basis for such an estimate. Please provide the Utility's basis for estimating future usage at 96 gallons per day (gpd)/person for water and 86 gpd/person for wastewater.
- 5. Please provide an explanation for the difference in estimated Equivalent Residential Connections (ERCs) between water and wastewater services shown in Exhibit D.
- 6. Please show the calculation used to develop the proposed water gallonage charge of \$2.49. Please include the calculation used to determine the gallons used in the calculation.

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- 7. Please show the calculation used to develop the proposed wastewater gallonage charge of \$3.10. Please include the calculation used to determine the gallons used in the calculation.
- 8. Pursuant to Rule 25-30.033(1)(p), F.A.C., a utility is required to provide a schedule showing how the miscellaneous service charges were developed, consistent with Rule 25-30.460, F.A.C. Please provide an estimated cost justification for miscellaneous service charges, including administrative labor costs, field labor costs, and transportation costs associated with initial connections, normal reconnections and premise visits.
- 9. Pursuant to Rule 25-30.311, F.A.C., please provide proposed customer deposits with a schedule showing how they were developed, consistent with Rule 25-30.033(1)(p), F.A.C.
- Please refer to Exhibit E (Wastewater) of Consolidated's Rate Study, submitted on July 19, 2016. For NARUC Account Nos. 360 and 361, Collection Sewers – Force and Collection Sewers – Gravity, respectively, please provide the proposed number of linear feet of each diameter pipe used to calculate the respective Utility Plan In Service (UPIS) amounts shown.

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

Sincerely,

linde Willer

Melinda Watts Engineering Specialist Division of Engineering

MW:tj

cc: Office of the Commission Clerk (Docket No. 130105-WS) Mr. Dan DeLisi via email: <u>dan@delisi-inc.com</u>