

Jumper Creek Utility Company

March 6, 2015

Office of Commission Clerk
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Re: Docket No. 140147-WS - Application of Jumper Creek Utility Company for Staff Assisted Rate Case in Sumter County

Dear Commission Clerk,

Jumper Creek Utility Company (Jumper Creek) submits its supplemental response to its original letter submitted on December 9, 2014 concerning Outside Contractual Services. Jumper Creek has again researched past Commission decisions on similar operational costs and offers the following relative to the existing contract.

In a recent Commission order, Order No. PSC-14-0626-PAA-WS, issued October 29, 2014, the Commission approved the rate increase request of Little Gasparilla Water Utility, Inc. This water utility is interconnecting with Charlotte County to provide purchased water service to 371 customers.

In the above order, the Commission approved the following operating expenses:

Salaries and Wages (Employees) -	\$ 22,665
Salaries and Wages (Officers) -	\$ 70,710
Pensions and Benefits -	\$ 11,672
Contractual Services – Professional -	\$ 4,660
Contractual Services – Other -	\$ 9,257
Transportation Expense -	<u>\$ 6,359</u>
Total	<u>\$124,783</u>

In a recent Staff Assisted Rate Case (SARC) concerning Crooked Creek Sewerage Company, the Commission approved a rate increase at the March 3, 2015 Agenda Conference in Docket No. 130178-WS. At that agenda, the Commission approved the following staff recommended operating expenses for wastewater:

Salaries and Wages (Employees) -	\$26,156
Pensions and Benefits -	\$ 1,895
Contractual Services (Billing) -	\$ 6,909
Contractual Services (Professional) -	\$ 7,560
Contractual Services (Other) -	\$26,842
Transportation Expense -	<u>\$ 3,500</u>
Total	<u>\$72,862</u>

Jumper Creek Utility Company
Additional Information on Outside Contractual Services

The USWSC contract dated March 29, 2013 is in the amount of \$10,569.61 for water and \$16,329.83 for wastewater. This equates to \$251.66 per customer for water and \$388.81 per customer for wastewater. Pursuant to the Contract Jumper Creek employed the services of USWSC in three distinct functions; the operation, maintenance and billing/collection (OM&BC) of the utility systems. This includes (a) Water System Operations; (b) Wastewater System Operations; (c) Maintenance; and (d) Customer Service. As previously indicated in its December 9, 2014 letter, these services are all-inclusive of operations, maintenance, billing, customer service, accounting, etc. In addition, Jumper Creek is requesting Officers Salaries in the amount of \$750 each for water and wastewater.

Below is a table reflecting the salaries of the operations and maintenance personnel allotted to Jumper Creek.

Operational Expenses for Jumper Creek

Water:

Employee:

Operator	\$ 150 / month
Maintenance Mechanic (UT)	\$ 180/month

Wastewater:

Employee:

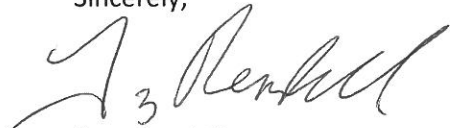
Operator	\$ 400 / month
Maintenance Mechanic (UT)	\$ 180 / month

These are all inclusive costs including pensions, benefits, vehicles, etc. for the operations of the water and wastewater facilities. If Jumper Creek was required to establish a stand-alone utility with personnel for maintenance, customer service, accounting, regulatory compliance, etc. the costs would far exceed the amount in the current USWSC contract.

In addition, U.S. Water Services recently reviewed and analyzed its actual required operation and administrative costs related to Jumper Creek. These costs amounted to \$18,081 for water and \$17,484 for wastewater for required services. Thus, the current amounts in this rate case do not recover the actual costs required.

If you have any additional questions or concerns, please do not hesitate to contact me at (727) 848-8292, ext. 245.

Sincerely,



Troy Rendell
Manager of Regulated Utilities
// for Jumper Creek Utility Company

Cc: Office of Public Counsel