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Public Service Commission

August 1, 2014

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COMMISSION
CLERK

Mrs. Diane Boyer, President
Little Gasparilla Water Utility, Inc.
P. O. Box 5159
Grove City, FL 34224

STAFF'S THIRD DATA REQUEST

Re: Docket No. 130265-WU - Application for staff-assisted rate case in Charlotte County, by Little Gasparilla Water Utility, Inc.

Dear Mrs. Boyer:

1. Please provide the following information related to service availability:
 - a. In response to staff's second data request, you indicated that it cost \$964 to install a meter. However, based on our telephone conversation on July 2, 2014, you indicated that \$964 included the installation of a meter as well as a tap-in. Please provide additional information to show how the \$964 fee was calculated, including a breakdown of the cost between meter installation and tap-in fees.
 - b. Does the \$964 meter installation and tap-in fee include the cost of the new remote read meters? If not, please provide an additional calculation showing the proposed meter installation fee reflecting the cost of the new remote read meters.
 - c. The Utility's April 30, 2014 response to staff's second data request provided the cost of the Blu Tower remote read meter system over four years. Does the annual cost of \$20,000 per 100 meters represent the cost of the meters plus installation or only the cost of the meters? Also, will Blu Tower or the Utility of the Utility be responsible for installing the new meters?
 - d. Currently, Little Gasparilla Water Utility (LGWU or Utility) has an approved system capacity charge of \$4,500 for new connections, which represents a combined meter installation, plant capacity, and main extension charge. Please provide cost justification for a separate main extension charge based on the current and proposed costs of the utility's internal distribution system.

1. Provide a detailed description of the capacity of the existing and proposed distribution system.
2. Please include the total number of lots on the island and the number of lots connected to the distribution system.
2. Please provide a copy of Charlotte County Utilities' (CCU or County) current tariffs with the base facility charge, gallonage charge, customer charge, plant capacity charge, transmission capacity charge, and accrued guaranteed revenue fees that will be charged to LGWU.
3. How many years does the Utility anticipate it will take for the water system to be built out? Please indicate the number of ERCs per year.
4. Please provide the following information regarding LGWU's fire hydrants:
 - a. Please provide the total number of fire hydrants that are owned and operated by the Utility and the year(s) they were installed.
 - b. Please explain why there are no fire hydrants on the south side of the island.
 - c. Please explain what upgrades to the system would be needed to provide fire hydrants on the south side of the island along with the cost of the upgrades.
 - d. It appears the cost of the fire hydrants may have been combined with other plant items, such as the transmission and distribution mains. If available, please provide supporting documentation for the original cost of the hydrants, such as an itemized invoice.
 - e. Does the Utility own and/or maintain the Hideaway Bay Beach Club's five fire hydrants that use water from the pond?
5. Please provide the following information regarding the easements on the Island:
 - a. How many more easements does LGWU need to complete the interconnection to the County? Please describe the nature of the remaining easements.
 - b. How many more easements does LGWU need to complete the north side expansion? Please describe the nature of the remaining easements.
6. Please explain why the Utility would not need the storage tanks after the interconnection with the County.
7. Please provide the following information related to the pro forma plant additions:
 - a. Interconnection and Water Utility Building Reconstruction.

1. The Utility's April 30, 2014 response to staff's second data request indicated that the Utility was working to obtain additional bids. Has the Utility received any additional bids for the interconnection project or water utility building reconstruction? If yes, please provide a copy.
 2. Please provide an update on the estimated start date and completion date for the interconnection project and building reconstruction.
- b. Generator Repair. The Utility's April 30, 2014 response to staff's second data request indicated that the generator work was scheduled for June 5, 2014. Has the generator repair been completed? If yes, please provide supporting cost documentation for the completed repair. If no, when does the Utility anticipate the generator work will be completed?
 - c. Backhoe Purchase. Has the Utility purchased the backhoe? If yes, please provide supporting cost documentation for the purchase, including any transportation and barging costs incurred in delivering the backhoe to the island. If no, please provide the anticipated date of purchase, and if applicable, documentation to support any changes to the estimated purchase price, transportation cost, and barging cost provided in the Utility's April 30, 2014 response to staff's second data request.
 - d. Golf Cart Purchase. Has the Utility purchased the golf cart? If yes, please provide supporting cost documentation for the purchase, including any transportation and barging costs incurred in delivering the golf cart to the island. If no, please provide the anticipated date of purchase, and if applicable, documentation to support any changes to the estimated purchase price referenced in Commission Audit Finding No. 2. Also, please provide an estimate of any additional transportation and barging costs that may be incurred in delivering the golf cart to the island.
 - e. Backhoe and Golf Cart Maintenance. Does the Utility anticipate incurring any additional and/or recurring expenses related to the use and maintenance of the backhoe and golf cart? If yes, please describe those expenses and provide an estimate of the annual cost.
8. Please provide the following information related to the Utility's financing for the pro forma Items:
 - a. The June 4, 2014 commitment to lend from Stonegate Bank indicates that the loan closing is due to occur on or before July 31, 2014. Has the Utility closed on the Stonegate Bank loan? If yes, please provide a copy of the executed loan agreement.
 - b. If no, has the Utility obtained financing from another source? If yes, please provide any available supporting documentation related to that financing. In the absence of an executed loan agreement, please provide any other available documentation, such as a letter from a bank, which includes an estimate of the amount of the loan, term of the loan, and interest rate.

Mrs. Dianne Boyer

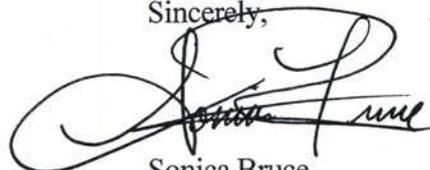
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- c. Has the Utility obtained any additional financing for the generator repair, backhoe purchase, or golf cart purchase? If yes, please provide any available supporting documentation related to the financing of those items.
11. Please provide an updated estimate of total rate case expense for this case, both to date and through the Proposed Agency Action phase. Please include a detailed breakdown of all costs, along with any necessary supporting documentation, such as invoices or receipts.

Please respond to staff's data request by August 15, 2014 to allow this docket to be processed within the statutory time frame. Furthermore, please submit the following information to the **Office of Commission Clerk, Docket No. 130265-WU, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0850. The information should not be addressed to staff.** If you have any questions, please free to contact me at (850) 413-6994.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sonica Bruce', written over a horizontal line.

Sonica Bruce
Economic Analyst

cc: Division of Economics (Daniel, Hudson)
Division of Engineering (Ballinger, Buys, Vickery)
Division of Accounting & Finance (Cicchetti, Golden, Mouring, Vogel)
Office of General Counsel (Murphy)
Office of Commission Clerk (Docket No. 130265-WU)
Martin S. Friedman
Friedman, Friedman, & Long, P.A.
766 North Sun Drive, Suite 4030
Lake Mary, FL 32746