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STATE OF FLORIDA



DIVISION OF
ACCOUNTING AND FINANCE
ANDREW L. MAUREY
DIRECTOR
(850) 413-6900

Public Service Commission

July 14, 2016

Mr. Leslie Szabo
Alturas Utilities, L.L.C.
P. O. Box 2608
Eaton Park, FL 33840-2608
Email: l.szabo@rogers.com

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2016 JUL 14 PM 4:49
COMMISSION
CLERK

RE: **Docket No. 140219-WU** – Application for staff-assisted rate case in Polk County by Alturas Utilities, L.L.C.

Dear Mr. Szabo:

On March 1, 2016, the Commission voted on staff's recommendation dated February 18, 2016. Proposed Agency Action Order No. PSC-16-0128-PAA-WU (PAA Order) was issued on March 29, 2016, and became final on April 25, 2016 with the issuance of Consummating Order No. PSC-16-0163-CO-WU (Final Order).

The PAA Order requires that Alturas Utilities, L.L.C. (Alturas or Utility) provide written notification to the Commission within 90 days of the Final Order in this docket, that the Commission-approved adjustments for all applicable National Association of Regulatory Utility Commissioners' Uniform System of Accounts (NARUC USOA) primary accounts have been made. Alturas' written notification that the accounting adjustments have been made is due by July 25, 2016.

If Alturas will be unable to meet that deadline, the Utility must notify the Commission at least seven days prior to the deadline to request an extension. The request for extension must be submitted to the Commission in writing no later than July 18, 2016, and must explain why additional time is needed. Upon finding of good cause for the extension, the Commission staff has been given administrative authority to grant a one-time extension of up to 60 days.

A copy of Schedule No. 5 from the PAA Order that reflects the accumulated plant, depreciation, contributions-in-aid-of-construction (CIAC), and amortization of CIAC balances as of December 31, 2014, is attached for your reference. The Commission approved these balances for ratesetting purposes in this case. Please reconcile your books and records with the Commission-approved accumulated balances shown on the enclosed schedule, and provide written notification that the adjustments have been made by July 25, 2016, or a written request for extension by July 18, 2016.

Mr. Leslie Szabo

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Please feel free to contact me at (850) 413-7015 or mgolden@psc.state.fl.us if you have any questions or need any additional information that would assist you in completing the required accounting adjustments.

Sincerely,



Martha A. Golden
Regulatory Supervisor/Consultant

Enclosure

cc: Commission Clerk
Mr. Stuart Sheldon, President
Ms. Cathy E. Parker, E.A.
Mr. Irving Karlitz, C.P.A.

| ALTURAS UTILITIES, L.L.C. | | | SCHEDULE NO. 5 | |
|---|-------------------------------|--|--------------------------------|-----------------------------------|
| TEST YEAR ENDED 12/31/2014 | | | DOCKET NO. 140219-WU | |
| SCHEDULE OF WATER PLANT, DEPRECIATION, CIAC, & CIAC AMORTIZATION BALANCES | | | | |
| ACCT NO. | DEPR. RATE PER RULE 25-30.140 | DESCRIPTION | UPIS 12/31/2014 (DEBIT) | ACCUM. DEPR. 12/14/2014 (CREDIT)* |
| 303 | 0.00% | LAND AND LAND RIGHTS (NON-DEPRECIABLE) | \$500 | \$0 |
| 304 | 3.70% | STRUCTURES AND IMPROVEMENTS | 519 | 67 |
| 307 | 3.70% | WELLS AND SPRINGS | 6,987 | 6,987 |
| 309 | 3.13% | SUPPLY MAINS | 237 | 33 |
| 311 | 5.88% | PUMPING EQUIPMENT | 9,108 | 3,975 |
| 320 | 5.88% | WATER TREATMENT EQUIPMENT | 220 | 220 |
| 330 | 3.03% | DISTRIBUTION RESERVOIRS AND STANDPIPES | 22,822 | 7,294 |
| 331 | 2.63% | TRANSMISSION AND DISTRIBUTION MAINS | 18,787 | 18,647 |
| 334 | 5.88% | METERS AND METER INSTALLATIONS | <u>6,247</u> | <u>424</u> |
| | | TOTAL INCLUDING LAND | <u>\$65,427</u> | <u>\$37,647</u> |
| | | | CIAC AMORT. 12/31/2014 (DEBIT) | CIAC 12/31/2014 (CREDIT) |
| | | | <u>\$18,637</u> | <u>\$18,637</u> |

*The accumulated depreciation balance excludes our recommended averaging adjustment that is only used for rate-setting purposes and shall not be reflected on the Utility's books.