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STATE OF FLORIDA



DIVISION OF
ACCOUNTING AND FINANCE
ANDREW L. MAUREY
DIRECTOR
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Public Service Commission

October 21, 2016

Mr. Martin Friedman
Friedman & Friedman, P.A.
766 North Sun Drive, Suite 4030
Lake Mary, FL 32746

RECEIVED-FPSC
2016 OCT 21 PM 4:02
COMMISSION
CLERK

Re: Docket No. 160101 -W S - Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties by Utilities, Inc. of Florida.

Dear Mr. Friedman:

By letter dated September 29, 2016, staff identified deficiencies with the minimum filing requirements (MFRs) submitted on August 31, 2016, on behalf of Utilities, Inc. of Florida (UIF or Utility). On October 18, 2016, the Utility sought clarification of two items on the deficiency letter by email.

Regarding Sub-item No. 5(b)(i), the CPI-U listed should be 236.525 based on further review by staff. Additionally, in response to the Utility's request for clarification on Sub-items Nos. 5(b)(iv-vii), schedules itemizing the most recent Commission-approved operating and maintenance (O&M) expenses are included for Utilities, Inc. of Florida (Pasco and Seminole counties) and the systems formerly known as Cypress Lakes Utilities, Inc., Labrador Utilities, Inc., Utilities, Inc. of Sandalhaven, and Sanlando Utilities Corporation.

While reviewing UIF's clarification questions, staff identified a reference error, staff identified a reference error on Item 5(b)(iv). The corrected sub-item should read as follows:

5. Rule 25-30.437, F.A.C., requires that each Class A utility applying for a rate increase shall provide the information required by Commission Form PSC/ECR 20 (11/93), entitled "Class A Water and/or Wastewater Utilities Financial, Rate and Engineering Minimum Filing Requirements." The following MFR schedules, as filed, do not comply with Rule 25-30.437, F.A.C.

- b. MFR Schedules B-7 and B-8, Operation and Maintenance (O&M) Expense Comparison (Water and Wastewater)

The Utility is required to compare current test year O&M expenses with the account balances approved by the Commission for its prior test year and provide an explanation of all differences which are not attributable to the change in

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customer growth and the Consumer Price Index - All Urban Consumers (CPI-U).
Per these instructions, please make the following revisions.

- iv. Sandalhaven – MFR Schedule B-8, Column (2), ~~Lines 1-2, 9, 15, and 27~~
does not tie to the amounts approved in Order No. PSC-07-0865-PAA-SU
~~PSC-16-0013-PAA-SU~~.

Please reflect this revision in the Utility's deficiency response.

Sincerely,



Amber Norris
Public Utilities Supervisor

ANM:js

cc: Division of Accounting and Finance (Andrews, Bulecza-Banks, D. Buys, Fletcher, Frank,
Maurey, Sowards, Wolmers)
Division of Auditing & Performance Analysis (Deamer)
Division of Economics (Bruce, Daniel, Friedrich, Hudson, Johnson)
Division of Engineering (P. Buys, Ellis, Graves, King, Knoblauch, Lee, Matthews)
Office of the General Counsel (Janjic, W. Taylor, Trierweiler)
Office of Commission Clerk (Docket No. 160101-WS)
Office of the Public Counsel

Cypress Lakes Utilities, Inc.		Docket No. 130212-WS
O&M Expenses - Water		
Test Year Ended 12/31/12		
ACCT NO.	ACCOUNT TITLE	COMMISSION APPROVED TEST YEAR
601	SALARIES AND WAGES - EMPLOYEES	\$83,451
603	SALARIES; OFFICERS, DIRECTORS, ETC.	7,834
604	EMPLOYEE PENSIONS AND BENEFITS	19,397
610	PURCHASED WATER	0
615	PURCHASED POWER	11,174
616	FUEL FOR POWER PRODUCTION	0
618	CHEMICALS	8,858
620	MATERIALS AND SUPPLIES	4,545
631	CONTRACTUAL SERVICES - ENGR.	600
632	CONTRACTUAL SERVICES - ACCT.	2,531
633	CONTRACTUAL SERVICES - LEGAL	72
634	CONTRACTUAL SERVICES - MGMT. FEES	0
635	CONTRACTUAL SERVICES - OTHER	0
636	CONTRACTUAL SERVICES - TESTING	9,075
641	RENTAL OF BUILDING/REAL PROPERTY	122
642	RENTAL OF EQUIPMENT	0
650	TRANSPORTATION EXPENSES	8,634
656	INSURANCE-VEHICLE	0
657	INSURANCE-GENERAL LIABILITY	0
658	INSURANCE-WORKMAN'S COMP.	0
659	INSURANCE-OTHER	10,694
660	ADVERTISING EXPENSE	24
666	AMORT. OF RATE CASE EXPENSE	21,648
667	REGULATORY COMM. EXPENSES - OTHER	21
670	BAD DEBT EXPENSE	362
675	MISCELLANEOUS EXPENSES	<u>16,521</u>
	TOTAL OPERATING AND MAINTENANCE	<u>\$205,562</u>

Cypress Lakes Utilities, Inc.		Docket No. 130212-WS
O&M Expenses - Wastewater		
Test Year Ended 12/31/12		
ACCT NO.	ACCOUNT TITLE	COMMISSION APPROVED TEST YEAR
701	SALARIES AND WAGES - EMPLOYEES	\$76,697
703	SALARIES: OFFICERS, DIRECTORS, ETC.	7,200
704	EMPLOYEE PENSIONS AND BENEFITS	17,826
710	PURCHASED WATER	0
711	SLUDGE REMOVAL EXPENSE	19,000
715	PURCHASED POWER	53,922
716	FUEL FOR POWER PRODUCTION	0
718	CHEMICALS	8,060
720	MATERIALS AND SUPPLIES	10,494
731	CONTRACTUAL SERVICES - ENGR.	551
732	CONTRACTUAL SERVICES - ACCT.	2,326
733	CONTRACTUAL SERVICES - LEGAL	66
734	CONTRACTUAL SERVICES - MGMT. FEES	0
735	CONTRACTUAL SERVICES - TESTING	0
736	CONTRACTUAL SERVICES - OTHER	8,335
741	RENTAL OF BUILDING/REAL PROPERTY	112
742	RENTAL OF EQUIPMENT	0
750	TRANSPORTATION EXPENSES	7,936
756	INSURANCE-VEHICLE	0
757	INSURANCE-GENERAL LIABILITY	0
758	INSURANCE-WORKMAN'S COMP.	0
759	INSURANCE-OTHER	9,828
760	ADVERTISING EXPENSE	22
766	AMORT. OF RATE CASE EXPENSE	19,895
767	REGULATORY COMM. EXPENSES - OTHER	28
770	BAD DEBT EXPENSE	333
775	MISCELLANEOUS EXPENSES	<u>32,826</u>
TOTAL OPERATING AND MAINTENANCE		<u>\$275,458</u>

Labrador Utilities, Inc.		Docket No. 140135-WS
O&M Expenses - Water		
Test Year Ended 12/31/13		
<u>ACCT</u>		<u>COMMISSION</u>
<u>NO.</u>	<u>ACCOUNT TITLE</u>	<u>APPROVED</u>
		<u>TEST YEAR</u>
601	SALARIES AND WAGES - EMPLOYEES	\$41,692
603	SALARIES: OFFICERS, DIRECTORS, ETC.	4,688
604	EMPLOYEE PENSIONS AND BENEFITS	13,145
610	PURCHASED WATER	0
615	PURCHASED POWER	5,786
616	FUEL FOR POWER PRODUCTION	0
618	CHEMICALS	1,489
620	MATERIALS AND SUPPLIES	6,510
631	CONTRACTUAL SERVICES -ENGR.	-1
632	CONTRACTUAL SERVICES - ACCT.	1,318
633	CONTRACTUAL SERVICES - LEGAL	20
634	CONTRACTUAL SERVICES - MGMT. FEES	0
635	CONTRACTUAL SERVICES - OTHER	0
636	CONTRACTUAL SERVICES - TESTING	6,049
641	RENTAL OF BUILDING/REAL PROPERTY	12,395
642	RENTAL OF EQUIPMENT	1
650	TRANSPORTATION EXPENSES	4,285
656	INSURANCE-VEHICLE	0
657	INSURANCE-GENERAL LIABILITY	0
658	INSURANCE-WORKMAN'S COMP.	0
659	INSURANCE-OTHER	6,924
660	ADVERTISING EXPENSE	21
666	AMORT. OF RATE CASE EXPENSE	22,108
667	REGULATORY COMM. EXPENSES - OTHER	1
670	BAD DEBT EXPENSE	700
675	MISCELLANEOUS EXPENSES	<u>23,345</u>
	TOTAL OPERATING AND MAINTENANCE	<u>\$150,476</u>

Labrador Utilities, Inc.		Docket No. 140135-WS
O&M Expenses - Wastewater		
Test Year Ended 12/31/13		
<u>ACCT</u>		<u>COMMISSION</u>
<u>NO.</u>	<u>ACCOUNT TITLE</u>	<u>APPROVED</u>
		<u>TEST YEAR</u>
701	SALARIES AND WAGES - EMPLOYEES	\$41,477
703	SALARIES: OFFICERS, DIRECTORS, ETC.	4,611
704	EMPLOYEE PENSIONS AND BENEFITS	13,056
710	PURCHASED WATER	0
711	SLUDGE REMOVAL EXPENSE	5,735
715	PURCHASED POWER	41,188
716	FUEL FOR POWER PRODUCTION	0
718	CHEMICALS	21,291
720	MATERIALS AND SUPPLIES	32,738
731	CONTRACTUAL SERVICES -ENGR.	1
732	CONTRACTUAL SERVICES - ACCT.	1,295
733	CONTRACTUAL SERVICES - LEGAL	34
734	CONTRACTUAL SERVICES - MGMT. FEES	0
735	CONTRACTUAL SERVICES - TESTING	0
736	CONTRACTUAL SERVICES - OTHER	17,454
741	RENTAL OF BUILDING/REAL PROPERTY	12,361
742	RENTAL OF EQUIPMENT	1
750	TRANSPORTATION EXPENSES	4,201
756	INSURANCE-VEHICLE	0
757	INSURANCE-GENERAL LIABILITY	0
758	INSURANCE-WORKMAN'S COMP.	0
759	INSURANCE-OTHER	6,808
760	ADVERTISING EXPENSE	21
766	AMORT. OF RATE CASE EXPENSE	21,741
767	REGULATORY COMM. EXPENSES - OTHER	1
770	BAD DEBT EXPENSE	66
775	MISCELLANEOUS EXPENSES	<u>4,143</u>
	TOTAL OPERATING AND MAINTENANCE	<u>\$228,223</u>

Sanlando Utilities Corporation		Docket No. 140060-WS
O&M Expenses - Water		
Test Year Ended 12/31/13		
<u>ACCT</u>		<u>COMMISSION</u>
<u>NO.</u>	<u>ACCOUNT TITLE</u>	<u>APPROVED</u>
		<u>TEST YEAR</u>
601	SALARIES AND WAGES - EMPLOYEES	\$623,580
603	SALARIES: OFFICERS, DIRECTORS, ETC.	65,720
604	EMPLOYEE PENSIONS AND BENEFITS	189,453
610	PURCHASED WATER	1,245
615	PURCHASED POWER	334,828
616	FUEL FOR POWER PRODUCTION	0
618	CHEMICALS	132,756
620	MATERIALS AND SUPPLIES	102,455
631	CONTRACTUAL SERVICES -ENGR.	999
632	CONTRACTUAL SERVICES - ACCT.	20,247
633	CONTRACTUAL SERVICES - LEGAL	305
634	CONTRACTUAL SERVICES - MGMT. FEES	0
635	CONTRACTUAL SERVICES - OTHER	96,438
636	CONTRACTUAL SERVICES - TESTING	10,311
641	RENTAL OF BUILDING/REAL PROPERTY	791
642	RENTAL OF EQUIPMENT	12
650	TRANSPORTATION EXPENSES	64,977
656	INSURANCE-VEHICLE	0
657	INSURANCE-GENERAL LIABILITY	0
658	INSURANCE-WORKMAN'S COMP.	0
659	INSURANCE-OTHER	106,593
660	ADVERTISING EXPENSE	0
666	AMORT. OF RATE CASE EXPENSE	50,986
667	REGULATORY COMM. EXPENSES - OTHER	7,242
670	BAD DEBT EXPENSE	11,787
675	MISCELLANEOUS EXPENSES	<u>237,665</u>
	TOTAL OPERATING AND MAINTENANCE	<u>\$2,058,390</u>

Sanlando Utilities Corporation		Docket No. 140060-WS
O&M Expenses - Wastewater		
Test Year Ended 12/31/13		
ACCT NO.	ACCOUNT TITLE	COMMISSION APPROVED TEST YEAR
701	SALARIES AND WAGES - EMPLOYEES	\$485,122
703	SALARIES: OFFICERS, DIRECTORS, ETC.	58,893
704	EMPLOYEE PENSIONS AND BENEFITS	148,511
710	PURCHASED WATER	0
711	SLUDGE REMOVAL EXPENSE	125,162
715	PURCHASED POWER	454,927
716	FUEL FOR POWER PRODUCTION	0
718	CHEMICALS	168,883
720	MATERIALS AND SUPPLIES	93,632
731	CONTRACTUAL SERVICES -ENGR.	12,944
732	CONTRACTUAL SERVICES - ACCT.	15,965
733	CONTRACTUAL SERVICES - LEGAL	240
734	CONTRACTUAL SERVICES - MGMT. FEES	0
735	CONTRACTUAL SERVICES - OTHER	101,761
736	CONTRACTUAL SERVICES - TESTING	83,211
741	RENTAL OF BUILDING/REAL PROPERTY	2,648
742	RENTAL OF EQUIPMENT	9
750	TRANSPORTATION EXPENSES	51,874
756	INSURANCE-VEHICLE	0
757	INSURANCE-GENERAL LIABILITY	0
758	INSURANCE-WORKMAN'S COMP.	0
759	INSURANCE-OTHER	84,054
760	ADVERTISING EXPENSE	-2
766	AMORT. OF RATE CASE EXPENSE	39,951
767	REGULATORY COMM. EXPENSES - OTHER	5,721
770	BAD DEBT EXPENSE	902
775	MISCELLANEOUS EXPENSES	<u>59,868</u>
TOTAL OPERATING AND MAINTENANCE		<u>\$1,994,277</u>

Utilities, Inc. of Florida - Pasco County		Docket No. 120209-WS
O&M Expenses - Water		
Test Year Ended 12/31/11		
ACCT NO.	ACCOUNT TITLE	COMMISSION APPROVED TEST YEAR
601	SALARIES AND WAGES - EMPLOYEES	\$181,000
603	SALARIES: OFFICERS, DIRECTORS, ETC.	25,434
604	EMPLOYEE PENSIONS AND BENEFITS	53,227
610	PURCHASED WATER	0
615	PURCHASED POWER	21,669
616	FUEL FOR POWER PRODUCTION	0
618	CHEMICALS	11,249
620	MATERIALS AND SUPPLIES	16,528
631	CONTRACTUAL SERVICES -ENGR.	0
632	CONTRACTUAL SERVICES - ACCT.	4,015
633	CONTRACTUAL SERVICES - LEGAL	944
634	CONTRACTUAL SERVICES - MGMT. FEES	0
635	CONTRACTUAL SERVICES - TESTING	17,371
636	CONTRACTUAL SERVICES - OTHER	23,266
641	RENTAL OF BUILDING/REAL PROPERTY	320
642	RENTAL OF EQUIPMENT	22
650	TRANSPORTATION EXPENSES	20,475
656	INSURANCE-VEHICLE	0
657	INSURANCE-GENERAL LIABILITY	0
658	INSURANCE-WORKMAN'S COMP.	-848
659	INSURANCE-OTHER	24,339
660	ADVERTISING EXPENSE	115
666	AMORT. OF RATE CASE EXPENSE	59,697
667	REGULATORY COMM. EXPENSES - OTHER	177
670	BAD DEBT EXPENSE	14,894
675	MISCELLANEOUS EXPENSES	<u>33,860</u>
	TOTAL OPERATING AND MAINTENANCE	<u>\$507,753</u>

Utilities, Inc. of Florida - Pasco County		Docket No. 120209-WS
O&M Expenses - Wastewater		
Test Year Ended 12/31/11		
ACCT NO.	<u>ACCOUNT TITLE</u>	COMMISSION APPROVED TEST YEAR
701	SALARIES AND WAGES - EMPLOYEES	\$71,382
703	SALARIES: OFFICERS, DIRECTORS, ETC.	10,031
704	EMPLOYEE PENSIONS AND BENEFITS	20,992
710	PURCHASED SEWAGE TREATMENT	143,773
711	SLUDGE REMOVAL EXPENSE	0
715	PURCHASED POWER	5,321
716	FUEL FOR POWER PRODUCTION	0
718	CHEMICALS	0
720	MATERIALS AND SUPPLIES	4,299
731	CONTRACTUAL SERVICES -ENGR.	5
732	CONTRACTUAL SERVICES - ACCT.	1,584
733	CONTRACTUAL SERVICES - LEGAL	373
734	CONTRACTUAL SERVICES - MGMT. FEES	0
735	CONTRACTUAL SERVICES - TESTING	0
736	CONTRACTUAL SERVICES - OTHER	9,176
741	RENTAL OF BUILDING/REAL PROPERTY	126
742	RENTAL OF EQUIPMENT	9
750	TRANSPORTATION EXPENSES	8,075
756	INSURANCE-VEHICLE	0
757	INSURANCE-GENERAL LIABILITY	0
758	INSURANCE-WORKMAN'S COMP.	-335
759	INSURANCE-OTHER	9,599
760	ADVERTISING EXPENSE	45
766	AMORT. OF RATE CASE EXPENSE	23,581
767	REGULATORY COMM. EXPENSES - OTHER	69
770	BAD DEBT EXPENSE	0
775	MISCELLANEOUS EXPENSES	<u>17,203</u>
	TOTAL OPERATING AND MAINTENANCE	<u>\$325,308</u>

Utilities, Inc. of Florida - Seminole County		Docket No. 120209-WS
O&M Expenses - Water		
Test Year Ended 12/31/11		
ACCT NO.	ACCOUNT TITLE	COMMISSION APPROVED TEST YEAR
601	SALARIES AND WAGES - EMPLOYEES	\$111,442
603	SALARIES: OFFICERS, DIRECTORS, ETC.	22,928
604	EMPLOYEE PENSIONS AND BENEFITS	47,907
610	PURCHASED WATER	12,184
615	PURCHASED POWER	33,475
616	FUEL FOR POWER PRODUCTION	0
618	CHEMICALS	29,256
620	MATERIALS AND SUPPLIES	9,647
631	CONTRACTUAL SERVICES - ENGR.	1,446
632	CONTRACTUAL SERVICES - ACCT.	3,611
633	CONTRACTUAL SERVICES - LEGAL	849
634	CONTRACTUAL SERVICES - MGMT. FEES	0
635	CONTRACTUAL SERVICES - TESTING	14,605
636	CONTRACTUAL SERVICES - OTHER	20,736
641	RENTAL OF BUILDING/REAL PROPERTY	287
642	RENTAL OF EQUIPMENT	20
650	TRANSPORTATION EXPENSES	15,550
656	INSURANCE-VEHICLE	0
657	INSURANCE-GENERAL LIABILITY	0
658	INSURANCE-WORKMAN'S COMP.	0
659	INSURANCE-OTHER	21,124
660	ADVERTISING EXPENSE	103
666	AMORT. OF RATE CASE EXPENSE	53,047
667	REGULATORY COMM. EXPENSES - OTHER	7,580
670	BAD DEBT EXPENSE	20,660
675	MISCELLANEOUS EXPENSES	<u>43,819</u>
TOTAL OPERATING AND MAINTENANCE		<u>\$470,275</u>

Utilities, Inc. of Florida - Seminole County		Docket No. 120209-WS
O&M Expenses - Wastewater		
Test Year Ended 12/31/11		
ACCT NO.	ACCOUNT TITLE	COMMISSION APPROVED TEST YEAR
701	SALARIES AND WAGES - EMPLOYEES	\$59,129
703	SALARIES: OFFICERS, DIRECTORS, ETC.	12,164
704	EMPLOYEE PENSIONS AND BENEFITS	25,417
710	PURCHASED SEWAGE TREATMENT	307,335
711	SLUDGE REMOVAL EXPENSE	0
715	PURCHASED POWER	20,476
716	FUEL FOR POWER PRODUCTION	0
718	CHEMICALS	0
720	MATERIALS AND SUPPLIES	5,124
731	CONTRACTUAL SERVICES -ENGR.	6
732	CONTRACTUAL SERVICES - ACCT.	1,916
733	CONTRACTUAL SERVICES - LEGAL	450
734	CONTRACTUAL SERVICES - MGMT. FEES	0
735	CONTRACTUAL SERVICES - TESTING	0
736	CONTRACTUAL SERVICES - OTHER	11,003
741	RENTAL OF BUILDING/REAL PROPERTY	152
742	RENTAL OF EQUIPMENT	11
750	TRANSPORTATION EXPENSES	8,267
756	INSURANCE-VEHICLE	0
757	INSURANCE-GENERAL LIABILITY	0
758	INSURANCE-WORKMAN'S COMP.	0
759	INSURANCE-OTHER	11,207
760	ADVERTISING EXPENSE	55
766	AMORT. OF RATE CASE EXPENSE	28,302
767	REGULATORY COMM. EXPENSES - OTHER	4,022
770	BAD DEBT EXPENSE	0
775	MISCELLANEOUS EXPENSES	<u>23,277</u>
TOTAL OPERATING AND MAINTENANCE		<u>\$518,312</u>

Utilities, Inc. of Sandalhaven		Docket No. 060285-SU
O&M Expenses - Wastewater		
Test Year Ended 12/31/07		
ACCT NO.	ACCOUNT TITLE	COMMISSION APPROVED TEST YEAR
701	SALARIES AND WAGES - EMPLOYEES	\$86,047
703	SALARIES: OFFICERS, DIRECTORS, ETC.	0
704	EMPLOYEE PENSIONS AND BENEFITS	22,074
710	PURCHASED SEWAGE TREATMENT	113,620
711	SLUDGE REMOVAL EXPENSE	59,575
715	PURCHASED POWER	23,557
716	FUEL FOR POWER PRODUCTION	0
718	CHEMICALS	35,016
720	MATERIALS AND SUPPLIES	75,692
731	CONTRACTUAL SERVICES -ENGR.	0
732	CONTRACTUAL SERVICES - ACCT.	1,813
733	CONTRACTUAL SERVICES - LEGAL	1,983
734	CONTRACTUAL SERVICES - MGMT. FEES	0
736	CONTRACTUAL SERVICES - OTHER	0
741	RENTAL OF BUILDING/REAL PROPERTY	0
742	RENTAL OF EQUIPMENT	0
750	TRANSPORTATION EXPENSES	7,361
756	INSURANCE-VEHICLE	0
757	INSURANCE-GENERAL LIABILITY	0
758	INSURANCE-WORKMAN'S COMP.	0
759	INSURANCE-OTHER	10,060
760	ADVERTISING EXPENSE	0
766	AMORT. OF RATE CASE EXPENSE	35,255
767	REGULATORY COMM. EXPENSES - OTHER	0
770	BAD DEBT EXPENSE	832
775	MISCELLANEOUS EXPENSES	38,699
	TOTAL OPERATING AND MAINTENANCE	<u>\$511,583</u>