

# LP WATERWORKS, INC.

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FPSC - COMMISSION CLERK

March 16, 2017

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

***Re: Docket No. 160222-WS - Application for Staff Assisted Rate Case (SARC) in Highlands County by LP Waterworks, Inc. – Supplemental Response to Staff's Third Data Request***

Dear Commission Clerk,

Please find attached LP Waterworks, Inc.'s (LPWW) supplemental response to Staff's Third Data Request No. 8d in the above referenced docket.

Request No. 8d – **Response:** In the cases referenced in staff's request No.8, the amount of vehicle fuel approved was for actual fuel used in 2014. The monthly amount approved was \$478.79/monthly or \$5,745.44/annual. The actual fuel costs for 2016 for this vehicle was \$6,0832.83/annual or \$506.99/month.

For the maintenance, the actual amount approved in 2014 was \$100.33/month or \$1,203.96/annual. The actual maintenance cost for 2016 for this vehicle was \$1,829.88/annual or \$152.49/monthly.

Utilizing the actual costs for 2016 and removing the overtime component decreases the contracted amount by \$1,278 for water and \$747 for wastewater.

However, LP Waterworks does not believe this adjustment is appropriate. The contact was first calculated in 2013 and did not include the actual costs for administrative services and operations. The amounts approved in the last SARC were \$77,184 for water and \$58,692 for wastewater. The actual costs for these operation and maintenance contacts are \$79,092.75 for water and \$68,749.18 which are above the current amounts being charged. These contracted amounts are currently under review and it is anticipated that the contracts will be revised by April 1, 2017 to reflect the actual costs incurred. This utility has been receiving a subsidy for the past four years.

Respectfully Submitted,



Troy Rendell  
Manager of Regulated Utilities  
// for LP Waterworks, Inc.