

PINE HARBOUR WATERWORKS, INC.

FILED 9/7/2018
DOCUMENT NO. 05871-2018
FPSC - COMMISSION CLERK

September 7, 2018

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

Re: Docket No. 20180022-WU – Application for staff-assisted rate case in Lake County by Pine Harbour Waterworks, Inc.– Response to FPSC Staff Request

Dear Commission Clerk,

Pine Harbour Waterworks, Inc. (Pine Harbour) hereby submits its response to staff's additional data request.

1. Pine Harbour states that the existing lighting and timer at the WTP was inoperable. Is it known how long the lighting and timer were inoperable?

Response: It is unknown how long the lighting and timer were inoperable. Pine Harbour was unaware until it received the customer comment after the customer meeting. Since plant visits are made during the day during the week, these lights would not have been observed at night prior to receiving this information from the customer. It was assumed they worked.

2. Pine Harbour's filing states that the lighting is a safety issue. Please explain why Pine Harbour considers the lighting to be a safety issue.

Response: At the customer meeting, the customer indicated that there should be a light at the WTP so he and other customers could see if there was someone at the plant that shouldn't be there. Lighting improves security to assist in keeping vandals or thieves away from the WTP. Also, if employees needed to make any necessary repairs at night, lights would assist in the repair work.

3. Did an electrician inspect the timer and light fixtures at Pine Harbour's water treatment plant?
 - a. If no, please explain why not.
 - b. If yes, please provide any documents that resulted from the electrician's inspection including estimates regarding necessary repairs and scope of work.

Response: The lights and timer was inspected and repaired/replaced by U.S. Water Services Corporation employees under the current Operations and Maintenance Agreement. It is not practical to obtain bids and proposals for each and every repair. Pursuant to Section 2.24 of the Agreement:

2.24

USWSC shall perform minor repairs - repairs that can be performed by the Collection and Distribution Technician, plant operators or maintenance personnel without assistance (Totaling Less than \$400.00 in USWSC Expense per incident), such as painting, changing motor oil, changing air filters, greasing equipment, cleaning equipment and troubleshooting equipment failures.

USWSC	OWNER
Replace Meter Boxes	In excess of \$400.00 per incident
Minor Water Leaks	
Cleaning of Wetwells	
Unclog Lift Station Pumps	
Hydrant Repairs	
Project Planning or Advisement to Owner	
Replace Curb Stops, Valves, Pipe Fittings	
Repairs to Electrical System	
Fencing and Other Similarly Related Repairs	

Further, Section 2.11 of the Agreement states:

2.11

USWSC may modify the process and/or facilities with permission of OWNER, to achieve the maximum efficiency of operation and optimum water quality. Any modifications to facilities of the system will be billed separate from this agreement at a price approved by the OWNER, except in the case of an emergency. During an emergency situation, USWSC may take the steps required to maintain the safety of the utility customers and meet any mandated regulatory requirements.

This replacement in response to the customer's concern expressed at the customer meeting will have a minimal impact to the revenue requirement as shown below:

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Light replacement	\$ 927.00
Rate of Return (Staff Report)	8.73%
Return	\$ 80.93
Depreciation Rate (Act. 304)	3.70%
Depreciation Expense	\$ 34.30
Total impact on Revenue Requirement	\$ 115.23

4. Based on a review of invoice 875267, it appears the timer and all fixtures were replaced on 08/02/2018. It also appears that three light fixtures were replaced on 08/03/2018. Please explain why it appears that the light fixtures were replaced twice.

Response: They were not replaced twice. The 8/2/2018 was to analyze the existing lights and timer. After analyzing and testing the lights and timer on 08/02/2018 it was determined they required replacement. The 08/03/2018 was the actual replacement after the purchase of the replacement lights and timer.

5. The invoice provides a description of an outside light being repaired on 08/02/2018. Please explain if this light is different from the light fixtures described in the invoice as being replaced on 08/03/2018.

Response: See response to No. 4 above.

6. Please submit photos of the new timer and all new light fixtures.]

Response: These will be provided after at a later date after a site visit is scheduled.

7. Did Pine Harbour obtain three estimates for the replacement of the timer?
a. If no, please explain why not.
b. If yes, please provide the estimates received by Pine Harbour.

Response: See response to No. 3 above. It is impractical to obtain additional bids or estimates for each and every repair that are required on a day to day basis.

8. Did Pine Harbour obtain three estimates for the replacement of the light fixtures?
a. If no, please explain why not.
b. If yes, please provide the estimates received by Pine Harbour.

Response: See response to No. 3 and 7 above.

The following questions refer to invoice # 875266, dated 8/29/2018 (work done on 05/25/2018) – Project 3208-16 - Screen-in one end of storage tank.

9. Please explain why the screen, soffit and fascia repairs at the WTP were needed.

Response: This is the screening above the ground storage tank where the aeration is located. The screening is required to keep insects and other contaminants out of the potable water. This keeps mosquitoes out so they don't lay eggs in the water and prevents other pests out such as snakes, frogs, moths, etc. from entering the ground storage tank where the water is exposed to the open air. This is necessary and required to ensure the quality of the water is maintained.

10. When did Pine Harbour identify the need to make those repairs?

Response: This is unknown. It is believed to have been identified by the Utility Manager who recently passed away on one of his plant visit/inspections.

11. Did Pine Harbour obtain three estimates for the screen, soffit, and fascia repairs?

a. If no, please explain why not.

b. If yes, please provide the estimates received by Pine Harbour.

Response: See response to No. 3 and 7 above.

12. Were the screen, soffit, and fascia repaired on 05/25/2018? If no, when were the repairs done?

Response: This repair was made on 05/23/2018 and 05/24/2018.

13. Please provide photos of the screen, soffit, and fascia before and after the repairs.

Response: These will be provided after at a later date after a site visit is scheduled.

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

Respectfully Submitted,



Troy Rendell
Vice President
Investor Owned Utilities
// for Pine Harbour Waterworks, Inc.