

State of Florida




Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: November 2, 2018

TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM: Todd M. Brown, Public Utilities Supervisor, Division of Accounting & Finance 

RE: Docket No. 20180063-WS – Application for limited proceeding rate increase in Polk County by Orchid Springs Development Corporation.

Please place the attached documents in the above-referenced docket. The documents include an email received on November 1, 2018, and a revised exhibit related to emergency purchased water.

Thank you.

Attachment

RECEIVED-FPSC
2018 NOV -2 PM 2: 25
COMMISSION
CLERK

Todd Brown

From: Marty Deterding <mdeterding@sfflaw.com>
Sent: Thursday, November 01, 2018 10:58 AM
To: Todd Brown
Cc: Kordell Wilson
Subject: RE: Orchid Springs - Purchased Emergency Water Update
Attachments: 20181031161759695.pdf

Todd

In response to your question on Emergency purchases of water, the Utility Company has informed me that there are no additional Emergency purchases of water from the city in 2018 beyond those already reported to Staff.

However, in reviewing the purchases of water from the City, which are only done on an emergency basis, we have noted that there have been several since the utility was first interconnected with the City for these emergencies in late 2009. So in order to paint a more reasonable average picture of the cost of emergency water I have attempted to prepare a schedule of all such purchases for the 9 full years that the interconnect has existed. I have prepared the schedule so that the average annual expenses for emergency purchased water can be utilized instead of the amortization of 2 or 3 incidences as we had originally proposed in the Original Exhibit #4 and the Revised version submitted about 3 months ago.

The schedule of "Normalized Emergency Purchased Water" better reflects the average expense for emergency purchased water, and provides a more accurate picture of the expected average expense in the future for rate setting. We therefore request that the Staff utilize this "Normalized Emergency Purchased Water" calculation in determining the appropriate additional purchased water expense in rate setting. Let me know if you have any questions or if I need to get this to someone else for full consideration.

Thanks you for your consideration.

F. MARSHALL DETERDING

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From: Todd Brown <TBrown@PSC.STATE.FL.US>
Sent: Friday, October 26, 2018 1:20 PM
To: Marty Deterding <mdeterding@sfflaw.com>
Cc: Kordell Wilson <kwilson@psc.state.fl.us>
Subject: Orchid Springs - Purchased Emergency Water Update

Good afternoon. Just wanted to follow-up with you to get an update on purchased emergency water.

Since the outage in early June 2018, has the Utility had any additional outages that required purchasing emergency water? If so, please provide the number and duration of each service outage since the June 2018 outage through the present date. Please provide the date, duration, cause, resolution, cost of all repairs along with a copy of the related invoices, and invoices for any purchased emergency water.

Thanks for your help.

Todd M. Brown
Division of Accounting & Finance
Florida Public Service Commission
850.413.6550
850.413.6551 (Fax)

Exhibit No. 4 2nd Revised

Orchid Springs Development Corp.

Normalized Emergency Purchased Water During Well Outages 2010-2018

<u>Year</u>	<u>City Charges</u>
2010	0
2011	\$3,699
2012	\$7,409
2013	\$5,581
2014	\$4,695
2015	\$ 851
2016	\$ 388
2017	\$9,543
2018	<u>\$4,400</u>
Total	<u>\$36,566</u>
Average Purchased Water	<u>\$4,062.89</u>