

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: May 2, 2012
TO: Ann Cole, Commission Clerk, Office of Commission Clerk
FROM: Melissa C. Jones-Alexis, Regulatory Analyst II, Division of Economic Regulation
RE: Docket No. 110022-WU, Application for certificate to operate water utility in Pasco County by HV Utility Systems, L.L.C.

RECEIVED - FPSC
MAY - 2 AM 9:31
COMMISSION CLERK
[Signature]

Please add the enclosed email and attachment, dated April 4, 2012, to the above-referenced docket. The attachment contains the Utility's revised proposed rates and revised allocations of O&M expenses. Thank you.

Enclosures

cc: GCL (Klancke)

DOCUMENT NUMBER - DATE

02784 MAY-2 2012

FPSC - COMMISSION CLERK

Melissa Jones-Alexis

From: Tony De Santis [tdesantis@cjnw.net]
Sent: Wednesday, April 04, 2012 11:47 AM
To: Melissa Jones-Alexis; David Wessman
Cc: cookem@gtlaw.com; Jordan_Ruben@equitylifestyle.com; Patti Daniel; Caroline Klancke
Subject: RE: HV Utility Dkt. No. 110022-WU: Revised Rates
Attachments: 0775_001.pdf

Attached please find the revised pages.

-tony

Anthony Quinn De Santis, CPA
CJN&W, CPA's
727-791-4020
727-797-3602 (fax)

From: Melissa Jones-Alexis [mailto:mjonesal@PSC.STATE.FL.US]
Sent: Monday, April 02, 2012 10:36 AM
To: David Wessman
Cc: cookem@gtlaw.com; Jordan_Ruben@equitylifestyle.com; Patti Daniel; Caroline Klancke
Subject: HV Utility Dkt. No. 110022-WU: Revised Rates

Good morning David,

As the Public Service Commission requested revision of the water and wastewater rates for Oak Bend, Grand Island, and Mid-Florida Lakes, we are requesting that the water rates for Hacienda Village (see attached) be revised to reflect that the base charge generates 40% of revenues. Would it be possible to get the revised rates from you by the end of the day?

Best Regards,

Melissa Jones-Alexis
(850) 413-6997

Please note: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

5/2/2012

DOCUMENT NUMBER-DATE
02784 MAY-2 2012
FPSC-COMMISSION CLERK

Hacienda Village
Original Certificate Application
Proposed Rates
(Revised per PSC, 4/03/2012)

Line No.		<u>Monthly Rates</u>
		<u>Water</u>
1	<u>Residential</u>	
2	Base Facility Charges:	
3	5/8" x 3/4"	\$ 7.58
4	Gallonage charge per 1,000 gallons	3.16
5	<u>General Service</u>	
6	Base Facility Charges:	
7	5/8" x 3/4"	7.58
8	1"	18.95
9	1.5"	37.90
10	2"	60.64
11	3"	113.70
12	4"	189.50
13	6"	379.00
14	Gallonage charge per 1,000 gallons	3.16

Hacienda Village
Original Certificate Application
Existing Water System
Rate Computation (Revised per PSC, 4/03/2012)

Line No.		Total	Percent Allocation		Rate Component	
			BFC	Gallorage	BFC	Gallorage
1	<u>Operation & Maintenance (O&M):</u>					
2	Purchased Power	\$ 12,213	40.00%	60.00%	\$ 4,885	\$ 7,328
3	Chemicals	3,146	40.00%	60.00%	1,258	1,888
4	Contractual Services:					
5	Engineering	1,200	40.00%	60.00%	480	720
6	Outside Accounting - Annual Report, RAF Return, and Index	1,500	40.00%	60.00%	600	900
7	Adjustments)					
8	Contract Legal	1,000	40.00%	60.00%	400	600
9	Management Fees (Administrative, Accounting, Tax, and	25,000	40.00%	60.00%	10,000	15,000
10	Customer Service)					
11	Management Fees (Operator and Billing Fee)	8,191	40.00%	60.00%	3,276	4,915
12	Testing	10,098	40.00%	60.00%	4,039	6,059
13	Plant Maintenance	1,000	40.00%	60.00%	400	600
14	Insurance - Property, Casualty & Liability	15,672	40.00%	60.00%	6,269	9,403
15	Miscellaneous	<u>2,000</u>	40.00%	60.00%	800	1,200
16	Total estimated O&M expense	<u>81,020</u>				
17	Depreciation Expense - Net	<u>16,973</u>	40.00%	60.00%	6,789	10,184
18	<u>Taxes Other than Income:</u>					
19	Real estate & property taxes	3,042	40.00%	60.00%	1,217	1,825
20	Regulatory Assessment Fees	<u>5,430</u>	40.00%	60.00%	2,172	3,258
21		<u>8,472</u>				
22	Operating Income	<u>14,207</u>	40.00%	60.00%	<u>5,683</u>	<u>8,524</u>
23	Total revenue requested	<u>\$ 120,672</u>			<u>\$ 48,268</u>	<u>\$ 72,404</u>
24	No. of ERC's at buildout level of operation				531	
25	No of months				<u>12</u>	
26	Annual No. of monthly ERC's				<u>6,372</u>	
27	Estimated annual gallons sold - (000)					<u>22,945</u>
28	Rates - Base Facility Charge / Gallorage Charge per 1,000 Gallons				<u>\$ 7.58</u>	<u>\$ 3.16</u>