



August 29, 2013

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COMMISSION
CLERK

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Docket No. 120209-WS - Application for increase in water and wastewater rates in Marion, Orange, Pasco, Pinellas, and Seminole Counties by Utilities, Inc. of Florida.

Dear Ms. Cole:

The following are the responses of Utilities, Inc. of Florida ("UIF" or "Utility") to Staff's Second Data Request dated July 31, 2013:

All Counties

1. Please provide a detailed schedule, by county, of the test year miscellaneous revenues, including type, number of collections, and amount of the miscellaneous service charges, NSF charges, and any other charges and adjustments included in miscellaneous revenues.

RESPONSE: Please see the Excel file titled "Schedule of Test Year Misc. Service Revenue.xlsx" for the requested detailed schedule by county of the test year miscellaneous revenues.

2. Based on the Utility's protocol for following up with customers with high usage, were billing adjustments made during the test year for customers with high usage? Were those adjustments reflected on Schedule E-14 for each county?

RESPONSE: Yes, billing adjustments were made in the case of misreads that caused high usage. Those adjustments reflected on Schedule E-14 for each county.

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Orange County

3. According to the billing analysis for the 5/8" residential meter size in Orange County, there are 15 bills where usage is over 40,000 gallons. For each of those bills, please provide the total usage for those customers, by month, for the test year.

RESPONSE: Please see the Excel file titled "Orange County Customer Usage More Than 40000 Gallons.xlsx" for the requested total usage for those customers, by month, for the test year.

4. Schedule F-9, page 1 of 1 for Davis Shores, shows a steady increase from 2007 to 2011 in total gallons sold. The number of customers has increased by a net of 1 customer. Does the Utility have any explanation for the steady increase in the total gallons sold for this system?

RESPONSE: Orange County – Davis Shores. This customer base is comprised of 41 single family homes. All of the water meters in Davis Shores were installed in 2004 in conjunction with a capital project completed at that time. The meters are functioning properly and are read accurately, which indicates that the annual consumption identified in the filing correctly identifies customer usage since 2004 (see “Response to #4 – Davis Shores.xlsx”). Staff incorrectly concludes that there has been a “steady increase” from 2007 to 2011 of gallons sold and seeks an explanation since customers increased by only one. In reality, gallons sold decreased from 2009 to 2010. Additionally, when the consumption at Davis Shores is viewed in the context of a longer period, 15 years, it is evident that rather than consumption being steady, change has been erratic at best, even though the number of customers billed during that period has been relatively steady. Without taking into account the effects of weather or the economy, it is reasonable to conclude that with such a small customer base, it takes only a change in the usage pattern of very few customers to trigger a percentage change in the annual consumption of the whole system in what appears to be an exaggerated fashion. A handful of customers who change their landscape irrigation practices, for example, can cause a significant deviation, up or down, in the annual total water sold.

Pasco County

5. In your July 15, 2013 response to Staff’s First Data Request, question 17, you provided multi-residential wastewater rates charged in Pasco County that are not included in the Schedule E-2, Proof of Revenue. Did the Utility bill those rates during the test year? If so, please provide a revised Schedule E-2 for Pasco County. If not, please describe why those rates are no longer billed? Are the customers that were previously billed those rates now metered or is service temporarily discontinued?

RESPONSE: Please see the Excel file titled “Revised Pasco County E-2 Wastewater.xlsx” for a revised Schedule E-2 for Pasco County. The Utility had one customer that was billed those rates and that customer is still currently being charged the multi-residential wastewater rate. Please note that even though the total number of bills noted on the revised E-2 for the test year is 36, there were only 12 actual bills distributed to the customer during the test year. The multi-residential customer has 3 dwelling units and was charged the multi-residential rate for each dwelling unit. The 3 dwelling units charged each month is the reason that the revised E-2 indicates 36 billings for the test year rather than 12.

6. Schedule E-14, page 44 of 59, for Pasco County Residential Flat (Wis-Bar), shows 19 wastewater bills and 60,000 gallons. The 19 bills were included along with all other residential Wis-Bar wastewater bills on line 3, column 19 of Schedule E-2, page 4 of 4 for Pasco County Proof of Revenue. It appears the 19 bills were rendered in January and February of 2011? Why were the 19 bills included in the revenue proof at the residential rate for metered wastewater customers, but none of the gallons?

RESPONSE: Please see the Excel file titled "Revised Pasco County E-2 Wastewater.xlsx" for a revised Schedule E-2 for Pasco County. Initially the 60,000 gallons were not included in the revenue proof because those 60,000 gallons were not being charged a gallonage rate. On the revised E-2 the 60,000 gallons are included in the revenue proof but they are not being charged a gallonage rate since they are flat rate customers. On the revised E-2 the 19 flat rate wastewater bills along with their 60,000 gallons have been separated from the other residential Wis-bar wastewater bills. They have been separated because the flat rate bills are charged at a base rate of \$39.55 instead of the \$11.24 on all other Wis-Bar bills.

7. Please provide a list of the names of the subdivisions served by system in Pasco County and indicated whether water, wastewater, or both services are provided.

RESPONSE: Please see the Excel file titled "Subdivisions Served by Pasco County.xlsx" for a list of the names of the subdivisions served by system in Pasco County.

8. According to the billing analysis for the 5/8" residential meter size in Pasco County, there are 23 bills where usage is over 49,000 gallons. For each of those bills, please provide the total usage for those customers, by month, for the test year.

RESPONSE: Please see the Excel file titled "Pasco County Customer Usage More Than 49000 Gallons.xlsx" for the requested total usage for those customers, by month, for the test year.

9. In a map review of the UIF systems, it was discovered that a system map for the Buena Vista wastewater system in Pasco County was not included in Volume III(b) of the Utility's application. Rule 25-30.440(l), F.A.C. requires detail system maps. Please provide the appropriate system map for the Buena Vista wastewater system.

RESPONSE: Pasco County – A map of the wastewater system serving Buena Vista Manor MHP, located east of Orangewood on the east side of US 19, also known as Wis-Bar subdivision, was provided with the filing. Buena Vista Trailer Park, located on the west side of US 19, is comprised of water-only customers.

Therefore, no wastewater system map can be provided for that geographical area. The confusion caused by having two separate and distinct subdivisions with similar names may have caused this question to be raised.

Pinellas County

10. According to the billing analysis for the 5/8" residential meter size in Pinellas County, there are 22 bills where usage is over 17,000 gallons. For each of those bills, please provide the total usage for those customers, by month, for the test year.

RESPONSE: Please see the Excel file titled "Pinellas County Customer Usage More Than 17000 Gallons.xlsx" for the requested total usage for those customers, by month, for the test year.

Seminole County

11. Does the Utility currently bill any customers its wastewater unmetered flat rate in Seminole County? Did the Utility bill those rates during the test year? If so, please provide a revised Schedule E-2 for Seminole County. If not, please describe why those rates are no longer billed? Are the customers that were previously billed those rates now metered or is service temporarily discontinued?

RESPONSE: No, the Utility has never billed any customers the wastewater unmetered flat rate in Seminole County. Thus obviously, the Utility did not bill those rates during the test year.

12. According to the billing analysis for the 5/8" residential meter size in Seminole County, there are 20 bills where usage is over 59,000 gallons. For each of those bills, please provide the total usage for those customers, by month, for the test year.

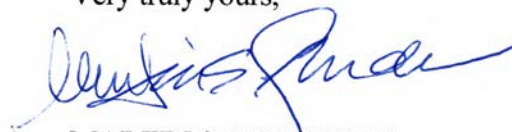
RESPONSE: Please see the Excel file titled "Seminole County Customer Usage More Than 59000 Gallons.xlsx" for the requested total usage for those customers, by month, for the test year.

13. In 2003, the Commission approved a pass-through service availability charge of \$2,125 for bulk wastewater service from the City of Sanford (City). UIF would collect the charge from new customers and remit to the City. The agreement between UIF and the City was for 10 years, with an automatic renewal for a subsequent 10 years. The City's current residential impact fee charge is lower than the \$2,125. Does the agreement allow for a change in the \$2,125 charge or does the charge remain the same? If the charge has changed, please provide an updated contract.

RESPONSE: Seminole County – The bulk sewer agreement with the City of Sanford was executed in August 2000. It was renewed for a 10-year term in 2010. The current impact fee is \$3,721.85 per single family home according to information supplied by the City. This reflects a City surcharge of 25% or \$696.85 for service provided to parcels located outside of the corporate boundaries of the City. A copy of the City’s impact fee worksheet, revised in 2008, is attached as “City of Sanford sewer impact fee worksheet.pdf”, which identifies a sewer impact of \$3,025.00 for residents of the City.

If you have any questions, please feel free to contact me.

Very truly yours,



MARTIN S. FRIEDMAN
For the Firm

cc: Kirsten Markwell (via e-mail, w/attachments)
Patrick Flynn (via e-mail, w/attachments)
Todd Brown (via e-mail w/attachments)
Steve Reilly (via e-mail, w/attachments)