

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: April 22, 2014
TO: Carlotta Stauffer, Commission Clerk, Office of Commission Clerk
FROM: Clayton Lewis, Division of Engineering *PL* *CKL*
RE: DN 130153-WS - Application for staff-assisted rate case in Highlands County, by
L.P. Utilities Corporation c/o LP Waterworks, Inc.

Please file the attached e-mail and spreadsheet (the attachment) in the above mentioned docket file.

Thank you.

RECEIVED FPSC
14 APR 23 AM 10:26
COMMISSION
CLERK

Patti Zellner

From: Clayton Lewis
Sent: Tuesday, April 22, 2014 2:46 PM
To: Patti Zellner
Subject: FW: Docket No. 130153-WS - Application for staff-assisted rate case in Highlands County by L.P. Utilities Corporation c/o LP Waterworks, Inc.
Attachments: LP Pro Forma Requirements 4 21 14.xlsx

Please forward this email to the clerk's office for inclusion in the docket file.

Thank you

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Tuesday, April 22, 2014 1:48 PM
To: Clayton Lewis
Cc: Carl Smith; Daniel Lee; Paul Vickery; Stan Rieger; Ron Derossett
Subject: RE: Docket No. 130153-WS - Application for staff-assisted rate case in Highlands County by L.P. Utilities Corporation c/o LP Waterworks, Inc.

Please find attached the updated schedule. I have added a column to identify the specific rule cite for each. These are either DEP or PSC rule cites in Florida Administrative Code.

Thanks,
Troy

From: Clayton Lewis [<mailto:CLewis@PSC.STATE.FL.US>]
Sent: Monday, April 21, 2014 8:52 AM
To: trendell@uswatercorp.net
Cc: Carl Smith; Daniel Lee; Paul Vickery; Stan Rieger; RDeRossett@uswatercorp.net
Subject: FW: Docket No. 130153-WS - Application for staff-assisted rate case in Highlands County by L.P. Utilities Corporation c/o LP Waterworks, Inc.

Referring to the column header Regulatory Mandate (M) or Enhancement (E):

Good Morning Mr. Rendell,

Upon further review of the spreadsheet provided concerning Pro Forma, we see several of the proposed items are "Regulatory Mandate". Please provide list the regulatory requirements for each item denoted as Regulatory Mandate.

Thank you, sir.

*Clayton K. Lewis
Engineering Supervisor
Division of Engineering*

From: Curt Mouring
Sent: Wednesday, April 16, 2014 8:33 AM
To: Daniel Lee; Charles Murphy
Cc: Clayton Lewis; Paul Vickery; Kelly Thompson; Shannon Hudson; Clarence Prestwood; Mark Cicchetti; Cheryl Bulecza-Banks
Subject: FW: Docket No. 130153-WS - Application for staff-assisted rate case in Highlands County by L.P. Utilities Corporation c/o LP Waterworks, Inc.

FYI

From: Troy Rendell [<mailto:trendell@uswatercorp.net>]
Sent: Wednesday, April 16, 2014 8:24 AM
To: Michael Barrett
Cc: Curt Mouring; Clarence Prestwood; Mark Cicchetti; Cheryl Bulecza-Banks; Andrew Maurey; Vickie Penick
Subject: Docket No. 130153-WS - Application for staff-assisted rate case in Highlands County by L.P. Utilities Corporation c/o LP Waterworks, Inc.

Good morning Michael,

Attached, please find the requested information concerning the requested Pro Forma Plant items in the above referenced docket. This information is being provided in response to staff's request.

In addition, by this e-mail LP Waterworks respectfully requests a deferral from the May 9, 2014 Agenda Conference to the June 5, 2014 Agenda Conference. This request is made in order to allow the PSC staff additional time to analyze the requested Pro Forma Plant requests. Further, on April 15, 2014, the PSC staff requested additional information concerning the majority/minority owners responsibilities and relationship with US Water Services Corp. The response is due on April 22, 2014. This request will allow the staff additional time to analyze the responses that are to be provided.

I have conferred with Mr. Steve Reilly with the Office of Public Counsel, and he represented that OPC agrees to this deferral.

LP Waterworks hereby waives the statutory timeframe contained in Section 367.0814, Florida Statutes in order to allow this deferral.

If you have any questions, please do not hesitate to contact me.

Respectfully,

Troy Rendell
Manager of Regulated Utilities
US Water Services Corporation
(727) 848-8292

	2013	2014	2015	2016	2017	2018
Totals	\$ 21,155	\$ 69,507	\$ 16,560	\$ 8,560	\$ 11,060	\$ 8,560

County	Site	Type	Priority 1 = High 2 = Medium 3 = low	CIP	Problem	Solution	Regulatory Mandate (M) or Enhancem ent (E)	Rule	Comments	2013	2014	2015	2016	2017	2018	COA #
Highlands	LP Utilities WTP # 1	W		CIP	Gas chlorine system does not have adequate safety features nor reliability in chlorine feed when one tank is empty or loses suction	Install chlorine monitoring system, two scale chlorine gas scale, safety equipment, automatic switchover units	M	62-555.320(13)(a)4, 9, & 10, FAC		\$ 3,800.00						\$ 3,800.00
Highlands	LP Utilities WTP # 1	W		CIP	Replaced damaged roof @ WTP # 1	Roof replacement due to tree limb falling on WTP #1 Roof. Protect controls	M	62-555.320(5) & 62-555.320(13)(a)8 FAC		\$ 6,000.00						\$ 6,000.00
Highlands	LP Utilities WTP # 1	W		CIP	No alarm system that would alert the operator of any alarm condition	Web based monitoring system which would keep operators in touch 24/7 with the plant operation.This will give us the capability to address any issues before it affects the customer	E		System cost increase due to alarm upgrades and more reliable servcie provider	\$ 2,873.40						\$ 2,873.40
Highlands	LP Utilities WTP # 2	W		CIP	Gas chlorine system does not have adequate safety features nor reliability in chlorine feed when one tank is empty or loses suction. The existing equipment is very poorcondition due to corrosion and lack of maintenance.	Complete chlorine feed system replacement	M	62-555.320(13)(a)4, 9, & 10, FAC		\$ 10,000.00						\$ 10,000.00
Highlands	LP Utilities WTP # 2	W		CIP	No alarm system that would alert the operator of any alarm condition	Web based monitoring system which would keep operators in touch 24/7 with the plant operation.This will give us the capability to address any issues before it affects the customer	E		System cost increase due to alarm upgrades and more reliable servcie provider	\$ 2,873.40						\$ 2,873.40
Highlands	LP Utilities	W		CIP	Water Meter Replacement, Customer; The water meters are 10 years old and need to be replaced and or tested per FPSC rules	Replace water meters that have exceeded 1,000,000 gallons or 10% of meters in the distribution system. 98 meters to be replaced	M	AWWA Guidelines (M6)		\$ 8,560	\$ 8,560	\$ 8,560	\$ 8,560	\$ 8,560	\$ 8,560	\$ 59,920.00
Highlands	LP Utilities			CIP	Existing self contained Breathing apparatus is showing signs of equipment failure due to lack of maintenance. Safety Issue	Replace SCUBA with new equipment for reliability and safety reasons	M	62-555.320(13)(a)4, 9, & 10, FAC	SCUBA equipment will depreciated out after 3 yrs	\$ 2,500				\$ 2,500		\$ 5,000.00

	2013	2014	2015	2016	2017	2018
Totals	\$ 21,155	\$ 69,507	\$ 16,560	\$ 8,560	\$ 11,060	\$ 8,560

County	Site	Type	Priority	CIP	Problem	Solution	Regulatory Mandate (M) or Enhancement (E)	Rule	Comments	2013	2014	2015	2016	2017	2018	COA #
Highlands	LP Utilities	W	1 = High	R & R	Pressure pump stands poor condition; ARV on hydro-pneumatic tanks are unreliable; Installed new pressure gauge on WTP # 1 hydro-pneumatic tank; Installed hardware cloth around fans in chlorine rooms.	Pressure pump stands poor replaced; ARV on hydro-pneumatic tanks replaced; Installed new pressure gauge on WTP # 1 hydro-pneumatic tank replaced; Installed hardware cloth around fans in chlorine rooms.	M	62-555.350 FAC		\$ 1,137.70						\$ 1,137.70
															Water Total	\$ 88,731.10
Highlands	LP Utilities WWTP	S	2 = Medium	CIP	Plant has no washdown capabilities for safety or plant maintenance	Install new non-potable well	M	62-600.410(7)	Install non-potable well on owners property		\$ 7,000.00					\$ 7,000.00
Highlands	LP Utilities WWTP	S	3 = low	CIP	Digester capacity inadequate for proper operation of the plant. Temporary digesters have been used in the past to alleviate the situation but the capacity will be needed in the future	Install new digester tank	M	62-600.410(1) & (6) & (8)				\$ 8,000.00				\$ 8,000.00
Highlands	LP Utilities WWTP	S		CIP	The existing air header is PVC which when exposed to the weather will become brittle and more susceptible to failure over time.	Replace the existing air header with a more reliable and less prone to failure galvanized piping	M	62-600.410(1) & (6) & (8), FAC			\$ 7,600.00					\$ 7,600.00
Highlands	LP Utilities WWTP	S		R & R	Security fencing around the plant in some areas due to corrosion.	Security fencing replacement.	M	62-600.400(2)(b) & 62-600.410(7), FAC			\$ 1,300.00					\$ 1,300.00
Highlands	LP Utilities WWTP	S		CIP	Existing blowers do not produce adequate aeration for the two treatment trains and surge tank	Replace one blower and upgrade the other existing blower to produce adequate aeration for the proper plant operational efficiencies.	E				\$ 10,000.00					\$ 10,000.00
Highlands	LP Utilities WWTP	S		R & R	Existing well for washdown repairs. Repairs made but the well is not on facility's property	Repair check valve and replace pressure tank to get immediate water for safety and maintenance issues at the plant	E		Existing well is not on LP property.	\$ 558.97						\$ 558.97
Highlands	LP Utilities WWTP	S		CIP	Surge tank controls at WWTP unreliable due to age; existing knife valve does not work properly	Replaced float controls for surge tank pumps; replace knife valve	M	62-600.410(1) & (6) & (8)		\$ 981.16						\$ 981.16

	2013	2014	2015	2016	2017	2018
Totals	\$ 21,155	\$ 69,507	\$ 16,560	\$ 8,560	\$ 11,060	\$ 8,560

County	Site	Type	Priority	CIP	Problem	Solution	Regulatory Mandate (M) or Enhancement (E)	Rule	Comments	2013	2014	2015	2016	2017	2018	COA #
										1 = High	2 = Medium	3 = low				
Highlands	LP Utilities Lift Station	S		CIP	Lift Station improvements needed because current pumps cannot overcome head and velocity issues needed to keep force main clear of debris build-up	Replaced existing 3HP pumps with 10 HP pumps to overcome the head problem issue and produce enough velocity to scour force main piping. The upgrade of the pumps required and electrical	M	62-604.500(2), FAC		\$ 18,476.88						\$ 18,476.88
Highlands	LP Utilities Misc. Items				Provide updated maps for systems	CAD Mapping of system	M	25-30.125 & 62-600.410(10) FAC		\$ -	\$ 7,000			Sewer Total		\$ 45,917.01
Highlands														Misc. Total		\$ 7,000.00
Grand totals per year										\$ 21,155	\$ 69,507	\$ 16,560	\$ 8,560	\$ 11,060	\$ 8,560	