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Public Service Commission

August 27, 2014

Martin S. Friedman, Esquire
766 North Sun Drive, Suite 4030
Lake Mary, Florida 32746
mfriedman@fflegal.com

STAFF'S FIRST DATA REQUEST

Re: Docket No. 140060-WS - Application for increase in Water and Wastewater rates in Seminole County by Sanlando Utilities Corporation.

Dear Mr. Friedman:

By this letter, the Commission staff requests that Sanlando Utilities Corporation (Sanlando or utility) provide responses to the following data requests.

1. In Order No. PSC-13-0085-WS¹, the Commission ordered Sanlando to make an adjustment to increase wastewater CIAC by \$1,445,252 to recognize the contribution by the St. John's River Water Management District for 40 percent of the cost of the construction of the reuse main. Based on a review of the Annual Report for the year ended December 31, 2013, and the MFRs for the test year ended December 31, 2013, it does not appear that this adjustment was made. Please explain where in the Annual Report and MFRs this adjustment was made.
2. Please refer to MFR Schedule A-11, line 9, and page W-8(a) of the Annual Report for the year ended December 31, 2013. Please explain from where the total water tap fees in the amount of \$1,651,394 were received. Considering that the growth in water customers was only 0.3% for the year, how did Sanlando obtain this amount from tap fees?
3. Is the \$1,651,394 amount (located on MFR Schedule A-11, Line 9 under the column titled Water), related to the St. Johns River Water Management District funding 40 percent of the cost of the construction of the reuse main per Order No. PSC-13-0085-PAA-WS?
4. What was the exact amount received from the St. Johns River Water Management District funding for 40 percent of the cost of the construction of the reuse main per Order No. PSC-13-0085-PAA-WS?

¹ See Order No. PSC-13-0085-PAA-WS, issued February 14, 2013, in Docket No. 110257-WS, In re: Application for increase in water and wastewater rates in Seminole County by Sanlando Utilities Corporation.

5. For all the entries listed as "Commission Ordered Adjustments" on MFR Schedules A-11, line 10, and A-13, line 9, please provide:
 - a. The derivation of the amounts,
 - b. An explanation of what those adjustments are based upon, and
 - c. Whether the adjustments are included as part of the company's adjustments to the test year.
6. In an email correspondence from Mr. Pitts to Mr. Friedman the following statement was noted: *On the Annual Report these adjustments are designated as Commission Ordered Adjustments. These entries while not expressly mentioned in the Order, did relate to the Commission Ordered adjustments.* Please explain how the entries on MFR Schedules A-11, line 10, and A-13, line 9 are related to the Commission Ordered adjustments.
7. Please provide the following information for the assets associated with the adjusting entries listed below that were included in the Excel Spreadsheets attached to the Darian Pitts email mentioned in question number 5.
 - a. A description of the asset,
 - b. The original depreciation rate that was used to determine the Accumulated Amortization for the asset, and
 - c. The depreciation rate that should have been used considering that the assets were over-depreciated.

108256 Water Plant-Converted Asset
108262 Water Plant-Converted Asset
108263 Water Plant-Converted Asset
101942 Sewer Plant-Converted Asset
101946 Sewer Plant-Converted Asset
161217 Docket No. 2110257-WS-Adj31

Please file the original and five copies of the requested information by Monday, September 8, 2014, with Carlotta Stauffer, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6226 if you have any questions.

Sincerely,

/s/ Keino Young

Keino Young
Chief Trial Counsel

KY/as

cc: Office of Commission Clerk