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February 20, 2024  
via efilings

Adam Teitzman, Commission Clerk  
Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

Re: Docket No. 20230083-WS – Application for Increase in Water and Wastewater Rates in Orange County by Pluris Wedgefield, LLC.

Dear Mr. Teitzman:

On behalf of Pluris Wedgefield, LLC (“Pluris” or “Utility”) this letter is the response to Office of Public Counsel’s letter dated February 16, 2024, which contain misstatements and/or misunderstanding of the facts and/or law.

Quality of Service:

Reclaimed water is being provided to the Wedgefield Golf Course pursuant to an Effluent Disposal Easement Agreement originally entered into on April 21, 1989. That Agreement was amended by an Amendment To Effluent Disposal Easement Agreement dated April 25, 2019, in which both parties made concessions, which included the following:

- 2. The Utility covenants that the effluent leaving the wastewater treatment plant will meet all regulatory standards. The Owner acknowledges and agrees that the sodium and chloride concentration of the wastewater effluent shall not be considered as adversely affecting the condition of the new turf as that phrase is used in paragraph 4 of the Agreement.*

Notwithstanding the complaints of the golf course owner, the effluent has at all times been in compliance with this contractual requirement.

Disinfectant By-Products – Non FDEP Compliance Testing by Homeowners

Presented in the following is a table prepared by OPC which includes testing results by homeowners of disinfectant by-products TTHMs and HAA5s in a two-month time period in 2016.

Wedgfield Testing	Total Trihalomethanes (initial)	Total Trihalomethanes (after 20 min of flushing)
Home 1	159.13 ug/L	160.01 ug/L
Home 2	132.55 ug/L	123.18 ug/L
Home 3	134.43 ug/L	129.75 ug/L
Home 4	142.81 ug/L	131.85 ug/L
Home 5	116.38 ug/L	127.14 ug/L
Home 6	195.43 ug/L	67.47 ug/L
Home 7	116.34 ug/L	96.31 ug/L
Home 8	155.12 ug/L	126.19 ug/L
Home 9	105.04 ug/L	164.01 ug/L
Home 10	199.73 ug/L	109.14 ug/L
Home 11	152.14 ug/L	145.79 ug/L
Home 12	77.31 ug/L	70.46 ug/L
Home 13	103.24 ug/L	138.57 ug/L (118.57 ug/L third test)
Home 14	127.22 ug/L	165.70 ug/L

For the record, FDEP reviewed the County of Orange’s involvement and determined the testing within homes was non-compliant. FDEP issued a statement and posted a Wedgfield Information webpage, both of which are presented below.

**Statement from the Florida Department of Environmental Protection on Pluris**  
(Updated: May 2, 2016 - 3:11 PM)

*The Florida Department of Environmental Protection is dedicated to protecting Florida’s water resources and ensuring a safe and sustainable supply of water for our residents and visitors into the future. DEP works closely with Florida’s drinking water operators to monitor water quality and ensure drinking water standards are met. This is reflected in the very high compliance rates of water systems in Florida.*

*In Florida, DEP has been granted authority by the EPA to implement the Safe Drinking Water Act (SDWA). Florida has adopted EPA regulations and rules to implement this program. These regulations set legal limits for contaminants in drinking water and testing schedules and methods that water systems must follow.*

*There are approximately 100 different substances that all public water systems, including the Pluris-Wedgefield facility, test water for on a regular basis (including TTHM, which is a disinfection byproduct), to ensure drinking water meets meeting federal drinking water standards.*

*Since 2006, Pluris had taken nearly 1,000 samples were taken for constituents that include pesticides, metals, disinfection byproducts and bacteria. In addition, they've conducted more than 3,000 field tests for chlorine and pH. (Note: Pluris did not own the utility in 2006. Pluris acquired the utility in 2010).*

*Please see attached disinfection byproduct sampling results.*

*In this period of time, there were violations of the locational running annual average for TTHM during two quarters in 2006. There were no reported violations for any other parameter. (Note: Pluris did not own the utility in 2006. Pluris acquired the utility in 2010).*

*In both cases, the facility returned to compliance as reflected in the quarterly subsequent sample events and remained in compliance until 2010. Again in 2010, after an exceedance on TTHM for two quarters, the facility returned to compliance. (Pluris acquired the utility in the first quarter of 2010).*

*The facility was required to perform public notification of these violations. This notification was performed as required.*

*Since then, the facility has not had a violation of this drinking water standard for more than five consecutive years. A total of 22 tests since then have been conducted, with all results below the drinking water standard.*

*Based on the facility's routine compliance monitoring data, there have been no reported exceedances or drinking water standard violations since 2010.*

*On March 25, 2016, the department conducted an onsite inspection to evaluate the facility's operations. Those operations were found to be in compliance.*

*This evaluation also included an in-depth review of recent monitoring data to ensure the facility's water was in compliance with drinking water standards. The water was found to meet those standards.*

*That being said, Orange County has conducted additional sampling on their own outside of the scope of regular compliance monitoring. While the data has been shared with the department, the*

*department has determined that additional data and sampling are needed. Additional monitoring will be conducted over the next couple of weeks.*

*Please let us know if we can be of any further assistance.*

Below FDEP Posted Webpage May 2, 2016

## PLURIS-WEDGEFIELD DRINKING WATER

# Frequently Asked Questions



### Is my water safe?

Yes. Although the county's test results from May indicated elevated levels of disinfection byproduct and low levels of chlorine, there is no immediate health risk or need for Wedgefield residents to change their daily routines or to find an alternate source of water. Federal drinking water standards are calculated so that a person would need to drink two liters of water that exceeds the standard every day for 70 years before having an increased chance of adverse health effects.

Residents with specific health-related questions should contact their physician or the Orange County Health Department.

### What do recent results indicate about Wedgefield's drinking water?

While the test results do not indicate any immediate health risk per the federal Safe Drinking Water Act, the test results do indicate that Pluris needs to make changes in its operations to address elevated levels of disinfection byproducts, specifically Total Trihalomethanes (TTHM), Haloacetic Acids (HAA5s) and low chlorine levels.

DEP is working with Pluris to ensure the timely implementation of all necessary corrective actions.

### How is my drinking water monitored?

Under federal regulations, all public water systems must test drinking water for approximately 100 different substances on a regular basis to ensure drinking water standards are met. These substances include disinfection byproducts such as TTHM and HAA5s, both of which were recently tested for at Wedgefield.

Federal standards establish Maximum Contaminant Levels (MCLs) for each substance. These levels are established by the U.S. Environmental Protection Agency (EPA) to protect public health and are calculated based on a lifetime of exposure.

## Who regulates Pluris-Wedgefield's drinking water?

Pluris-Wedgefield's water quality is regulated by the Florida Department of Environmental Protection (DEP). EPA establishes federal drinking water standards to protect public health, and EPA grants authority to DEP to implement the federal Safe Drinking Water Act. These regulations set limits for certain substances in drinking water and outline when and how providers must test drinking water.

## What is being done to address elevated levels of disinfection byproducts?

While Pluris' single exceedance is not a violation under federal guidelines, these guidelines do require Pluris to sample the water more frequently for disinfection byproducts. DEP is closely monitoring the more frequent sampling to ensure compliance. DEP will continue to make these results available to the community.

Additionally, the department is working with the utility to perform a system analysis to identify operational improvements to reduce levels of disinfection byproducts as quickly as possible. DEP is experienced with working with water providers to address the challenge of balancing the flow of water with the proper application of chlorine while minimizing disinfection byproducts.

## What about low chlorine levels in the water?

Throughout Florida, chlorine is used to disinfect public water supplies. The most recent test results for Wedgefield indicated that chlorine levels did not meet the minimum level established in federal drinking water standards.

DEP was on hand when the latest tests were conducted and advised Pluris of the need to increase chlorine levels. Pluris responded immediately. Follow-up testing indicates that chlorine levels are back in compliance and meet federal standards.

## What about bacteria in the water?

Total coliform is not a threat to human health, but can be an indicator of the potential presence of E. coli, which is dangerous to human health. Total coliform bacteria were detected only in samples collected inside homes in April by Orange County. Coliform bacteria are not uncommon in the home around sinks and faucets. Water tests at the water distribution system have shown no coliform bacteria present.

## Will Pluris be held accountable to meet federal water quality standards?

Yes, Pluris is legally required to meet state and federal drinking water standards. Whenever sampling or other evaluations verify compliance issues, DEP holds utilities accountable and works with them to identify and implement corrective actions as quickly as possible to protect water resources and ensure a safe water supply.

## Why is Pluris flushing the water lines?

Flushing water lines is a key part of distribution system maintenance and is an industry-wide practice used to maintain water quality. This can be safely performed without impacts to daily use.

## How can I learn more about my drinking water?

DEP staff is available to answer questions about drinking water regulations. Contact Nathan Hess at 407-897-4140 or [nathan.hess@dep.state.fl.us](mailto:nathan.hess@dep.state.fl.us) or visit <http://dep.state.fl.us/central/home/wedgefield/>.

The Florida Department of Health has a number of resources on drinking water at <http://www.floridahealth.gov/environmental-health/drinking-water/index.html>.

The FDEP investigated the TTHM and HAA5 issue and determined Pluris was in compliance as OPC acknowledges. Presented in the following is a summary of TTHM and HAA5 compliance test results dating back to before Pluris' acquisition in 2010.

Individual FDEP Testing Results for Period in $\mu\text{L}$ (MCL = 80 $\mu\text{L}$ for TTHM; and MCL = 60 $\mu\text{L}$ for HAA5)		
Year	TTHM	HAA5
2008	67.9	58.2
2009	92.08	46.8
2010	67.82	51.77
2011	55.2	38.2
2012	56.5	39.8
2013	53.4	17.8
2014	2.31	UD
2015	2.73	UD
2016	98.05*	29.75
2016	94.1*	29.95
2017	19.03	15.38
2017	26.25	14
2018	U	4.85
2018	U	3.97
2019	15	U
2020	9.8	U
2021	3.51	U
2022	U	U
2023	1.9	4.4

*Pluris acquired the Utility at end of 1st QTR of 2010*

*\*Note: Individual test results of 98.05  $\mu\text{L}$  and 94.1  $\mu\text{L}$  reflect individual test results. Incorporating them into the 4 quarters trailing average determines compliance and Pluris was never out of FDEP compliance of 80  $\mu\text{L}$  and 60  $\mu\text{L}$  for TTHM and HAA5, respectively.  
"U" designates below detection limit at FDEP certified laboratory.*

In reviewing any disinfectant by-product test results, it is important to understand the FDEP secondary disinfectant requirements for compliance, as there is considerable misunderstanding of what constitutes compliance.

Every utility, including governmental utilities both large and small, have exceedances of disinfectant by-products. One only has to visit the FDEP Oculus webpage (<https://depedms.dep.state.fl.us/Oculus/>) to search all analytical data collected by the FDEP as part of compliance.

An exceedance alone is not a determination of a violation or non-compliance. To be in compliance, utilities must sample for TTHM and HAA5 annually and if the FDEP requests increased sampling and testing due to an exceedance, then utilities must sample and test quarterly. Each quarter of results are added together and divided by 4 to achieve a “trailing 4 quarter average” result and if that number is greater than 80 µ/L for TTHM and greater than 60 µ/L for HAA%, then the utility is out of compliance for TTHM and or HAA5. The reason for the “trailing 4 quarter” period, is to allow the FDEP and the utility to determine corrective action necessary to bring the utility back into compliance.

FDEP tracks exceedances as part of compliance and as mentioned above, all data is reported on the FDEP Oculus site. During the referenced 2015 - 2016 time period, on a specific date, FDEP had listed all TTHM FDEP compliance testing results, which included 387 pages of results. Of the 387 pages of data, 12 pages comprising just under 400 entries were utilities, both private and governmental with exceedances. Presented below is just page 1 of the 12 pages showing utilities with exceedances above 80 µ/Liter of TTHM and as shown, exceedances were significantly above the MCL for TTHM. All exceedances are designated “Active”, meaning FDEP was working with each utility on the exceedance.

Total Trihalomethane (TTHM) Results Above Regulatory Limit ("MCL") of 80 µ/liter				
FDEP PWS ID	System Name	Sample Date	Results (µ/liter)	Status
4501640	ATLANTIC SUGAR ASSOCIATION INC.	09/28/2015	569.42	ACTIVE
2541280	WOOTEN'S MHP	08/17/2015	381.15	ACTIVE
4431870	J & S FISH CAMP	03/18/2015	344.25	ACTIVE
2541280	WOOTEN'S MHP	05/27/2015	310.54	ACTIVE
2401312	FUMCH-MADISON YOUTH RANCH	09/14/2015	289.32	ACTIVE
4474467	OAK PARK LLC	09/02/2015	262.1	ACTIVE
3050596	INDIAN RIVER SHORES MHP	05/19/2015	252	ACTIVE
3054057	RIVER GROVE MOBILE HOME VILLAGE	05/19/2015	247	ACTIVE
4501640	ATLANTIC SUGAR ASSOCIATION INC.	12/21/2015	246.79	ACTIVE
5114140	TREES CAMP WTP	06/30/2015	246	ACTIVE
6296365	ACADEMY OF MONTESSORI INTERNATIONAL	02/18/2015	245.18	ACTIVE
3640876	CITY OF NEW SMYRNA BEACH	10/27/2015	239	ACTIVE
6296365	ACADEMY OF MONTESSORI INTERNATIONAL	08/31/2015	230.65	ACTIVE
6588017	PAC TEC ELECTRONIC ENCLOSURES	09/21/2015	225	ACTIVE
5364148	GUNNERY ROAD BAPTIST CHURCH AND SCHOOL	08/12/2015	223.85	ACTIVE
2010749	MICANOPI WATER SYSTEM	03/16/2015	221.4	ACTIVE
2010749	MICANOPI WATER SYSTEM	03/16/2015	218.07	ACTIVE
4561005	CYPRESS MHP	12/03/2015	203	ACTIVE
1650785	WAKULLA REGIONAL-(AKA GULF COAST)	06/22/2015	198.56	ACTIVE
3644125	MAGNOLIA VILLAGE	08/11/2015	198	ACTIVE
6296365	ACADEMY OF MONTESSORI INTERNATIONAL	06/16/2015	193.17	ACTIVE
4565202	SOUTHERN TRUSS	12/30/2015	193	ACTIVE
4500841	MANGONIA PARK TOWN OF	06/18/2015	188	ACTIVE
5360011	THE ALVA SCHOOL	09/28/2015	186.4	ACTIVE
6280250	SEBRING WATER & SEWER SYSTEM	05/21/2015	180	ACTIVE
3050890	NORTHGATE MOBILE RANCH	07/16/2015	177	ACTIVE
6296365	ACADEMY OF MONTESSORI INTERNATIONAL	12/03/2015	176.16	ACTIVE

OPC commented that “*The Florida DEP said the Wedgefield water facility exceeded TTHM for two quarters in the past.*” This is accurate, however, the two quarters OPC is referring to were in 2010, at the time when Pluris acquired the “out of compliance with TTHM” utility. Pluris addressed the former utility’s 2010 TTHM compliance issue within two quarters after the acquisition.

Presented below is the email from then FDEP supervisor, Barbara Browning acknowledging Pluris had returned the utility to compliance in 2010.

**From:** Browning, Barbara [mailto:Barbara.Browning@dep.state.fl.us]  
**Sent:** Friday, October 22, 2010 4:07 PM  
**To:** rkramer@utilitypartnersllc.com; Maurice Gallarda  
**Cc:** rholsapple@utilitypartnersllc.com; jcoffee@utilitypartnersllc.com  
**Subject:** Pluris-Wedgefield 3480149

Attn: Maurice Gallarda, Regional Manager, Pluris-Wedgefield, Inc.  
Attn: Ron Kramer, Regional Manager, Utility Partners LLC  
Attn: Roger Holsapple, Operator, Utility Partners LLC  
Attn: John Coffee, Operator, Utility Partners LLC  
From: DEP, Orlando  
10/22/10

Dear Mr. Gallarda and all,

Thank you for the recent 10/7/10 total trihalomethanes (TTHM) and haloacetic acids five (HAA5) results of analyses for Pluris-Wedgefield, PWSID# 3480149. 10/7/10 TTHMs are **65.2** ug/L and HAA5s are **56.9** ug/L. Mr. Coffee, we just received the hard copy of results as well (thanks!).

The new running annual averages (RAAs) are **67.825** ug/L for TTHMs and **51.775** ug/L for HAA5s. (Our RAA HAA5s values differ slightly, possibly due to a difference in significant figures – see email below.) The new RAAs do not exceed the maximum contaminant levels (MCLs) for the contaminants of 80 ug/L for TTHMs and 60 ug/L for HAA5s. Public notification is **not** required.

**\*\*Because the water system has 4 consecutive quarterly TTHM results below the MCL and 4 consecutive quarterly HAA5 results below the MCL from 1/10 through 12/10, Wedgefield may now stop quarterly monitoring and return to routine (annual) monitoring. The next TTHMs/HAA5s tests shall be due again during July – Sept. 2011. Sampling shall be conducted at the MRT location, 2809 Briar Park, under normal operating conditions. Record the disinfectant residual at the time of sample collection.**

In the coming weeks a letter will be sent on the change in sampling frequency. Thank you for your cooperation over the last few year in working to resolve the exceedances.

Thank you,  
Barb Browning  
DEP, Orlando  
407 894 7555 X 2293  
Fax 407 893 4418



OPC further commented that, “Although Pluris’ drinking water treatment facility was in compliance, the study was initiated after quarterly TTHM analyst test results indicated concentrations were nearing the regulatory Stage 2 DBP compliance limit at a compliance sampling location.”

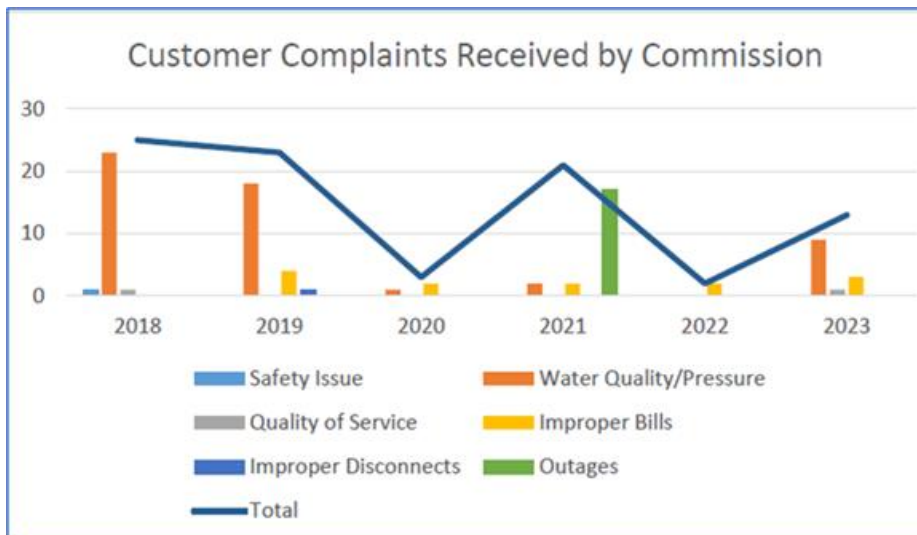
*(Underline Emphasis added by OPC)*

OPC acknowledged Pluris was in compliance and points out what Pluris knew; that disinfectant by-products, particularly TTHM was increasing despite advanced treatment. Pluris retained Kimley-Horn, the original plant design engineers to conduct a study to understand why TTHMs and HAA5s were increasing. FDEP was intimately involved in the proposed study.

### Customer Complaints

By OPC’s own detail, by categories of “Customer Complaints received by Commission”, in its table (reproduced here), customer complaints have dropped significantly since 2018.

- Total – down over 100% (from mid 20s to low teens).
- Safety Issue – near zero in 2018 and zero the remaining 5 years.
- Quality of Service – near zero in 2018 and 2023; zero in remaining 4 years.
- Improper Disconnects - zero to near zero in all years.
- Water Quality/Pressure – down over 100% (from over 20 to below 10).
- Improper Bills – zero in 2018; near zero the remaining 5 years.
- Outages – 0 in all but year 2021 and this was due to significant flooding resulting in major disruption in all utilities in Florida from Hurricane Isaac.



OPC reported complaints by customers to the Commission, and unfortunately compliments from customers are not sent to the Commission. Pluris works with customers with their individual issues and presented in the following is an email thread, between Pluris and a customer is just one example.

**From:** [REDACTED] <[REDACTED]7@gmail.com>  
**Sent:** Tuesday, February 20, 2024 10:31 AM  
**To:** Customer Care <customercare@plurisusa.com>  
**Cc:** [REDACTED]  
**Subject:** Re: Adjustment Request for [REDACTED] Avenue

Thank you for the assistance, Beverly. As I mentioned we are thankful for every bit of help we can get. This truly has been a trying experience, but God always provides for His people, and this is just one more evidence of that for us. My husband and I are also thankful for the way your staff has interacted with us throughout this process. From the Customer Service Department (I believe the young lady we spoke with was, Elizabeth) to our first meeting with J.R., the field representative, and the two other gentleman who assisted him, we have nothing but positive feedback. Our questions were answered. We were given good recommendations on how to save money and look for potential leaks in our home. We were dealt with compassionately and in a timely manner in a difficult situation. You, Beverly, have also been very helpful in spearheading the effort and we thank you for your diligence in reaching out to us, leaving messages, and walking us step-by-step through it all. We have lived in Wedgefield for almost 12 years and we're very aware of the tumult between the community and Pluris. While we won't pretend, we're happy with the cost of water or the quality, we know that this is not something the hired staff can control. We're sure you receive plenty complaints. We hope a few kind words of encouragement for your excellent customer service will be a blessing and motivation to continue.

[REDACTED] & [REDACTED]

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**From:** Customer Care <customercare@plurisusa.com>  
**Sent:** Tuesday, February 20, 2024 10:04:11 AM  
**To:** [REDACTED] <[REDACTED]7@gmail.com>; Customer Care <customercare@plurisusa.com>  
**Cc:** [REDACTED]  
**Subject:** RE: Adjustment Request for [REDACTED] Avenue

Dear [REDACTED],  
First, I would like to say thank you again for taking time to speak with me today, you were such a pleasure to talk with. I am following up to let you know the credit adjustment amount of \$114.88 has been applied to your account leaving a remaining balance of \$374.34.  
[REDACTED], please do not hesitate to reach out to me anytime for any questions or concerns you may have.  
Kind regards,  
Beverly

**Beverly Yopp**  
Director, Customer Care

**From:** [REDACTED] <[REDACTED]7@gmail.com>  
**Sent:** Monday, February 19, 2024 1:30 PM  
**To:** Customer Care <[customercare@plurisusa.com](mailto:customercare@plurisusa.com)>  
**Cc:** [REDACTED]  
**Subject:** Adjustment Request for [REDACTED] Avenue

Good afternoon.

I'm reaching out to request a onetime adjustment to our water bill. Our service address is [REDACTED] Avenue and we have been in contact with your office throughout this very trying time. I have attached the receipts for the leaks we repaired. We are not sure what the other issue was with the slow leak, but after the meter replacement and swap back, that stopped without our doing anything else. AquaHawk is now showing periods of no water use at times, as it should. We have reached out to multiple agencies in Orange County for assistance to no avail. Funding is lacking or they do not work with your company. This was disheartening. We hope you will be willing to assist us by decreasing our bill. As you know, the water here is already quite expensive and this leak, has caused us a substantial hardship.

Thank you for your consideration.

[REDACTED] & [REDACTED]

Based on the brief foregoing information, Pluris does not understand how OPC has determined Pluris has not met the threshold for satisfactory quality of service by all utilities.

#### Recalculation of Depreciation:

As stated in our response to Question 1 of Staff's Fifth Data Request dated January 22, 2024, Pluris does not dispute any of the audit findings. However, Pluris does not agree with any further adjustments recommended by OPC.

#### Working Capital Allowance and Common Equity:

Pluris has tried to make it clear that we have removed the impact of the referenced lawsuit from this rate proceeding. Pluris is not attempting to recover its legal costs and has reduced its O&M expenses accordingly by the amount of the legal fees and settlement. Pluris has also removed these same losses from the calculation of Common Equity (per the Minimum Filing Requirements for Schedule D-2) to arrive at an Equity position that is fair and reasonable.

To test the validity of the requested Equity balance without any impact of the lawsuit, Pluris looked at its ending 2019 Equity position (since the lawsuit was filed in 2020). Per the 2019 Annual Report, the account balances for line items to be considered as Equity are as follows:

Common Stock Issued	\$ 2,000
Other Paid-in Capital	1,153,190
Retained Earnings	3,324,675
Advances from Associated Companies	250,000
Accounts Payable to Associated Co.*	1,176,321
<b>Total Common Equity</b>	<b>\$ 5,906,186</b>

\*Consistent with adjustment in Dec. 2022 to reclassify debt to Parent as Equity

The amount filed on MFR Schedule D-1 as Common Equity for Test Year 2022, adjusted for removal of the legal expenses and settlement, was \$5,277,952. This amount seems appropriate since the total prior to the referenced lawsuit was \$5,906,186.

Cash Level Included in Working Capital:

All cash accounts held by Pluris are available for immediate use, whether held in money market accounts or not. Pluris has the ability to transfer funds to or from these accounts as needed. Pluris disagrees with OPC's exclusion of these amounts from Working Capital.

Prepayments Included in Working Capital:

Back in 2021, Pluris implemented a 5-year plan in place to replace old resin. A bulk order for resin was placed in December 2021. Rather than expensing the entire amount upfront, Pluris recorded it as a Prepaid Expense and is expensing the cost monthly over the 5-year estimated life of the resin. Pluris disagrees with OPC's removal of this prepayment from Working Capital.

Annualized Operating Revenues:

Pluris prepared the referenced Schedule B-3 in accordance with the Minimum Filing Requirements for such schedule. Pluris disagrees with OPC's adjustment to test year revenues.

Income Taxes:

As noted below, OPC suggests this Commission follow a determination made Sarasota County in relation to a sister utility's rate case in 2019. Pluris would point out that if this Commission wants to defer to Sarasota County in its analysis of the management fees, then it should also do so in Sarasota County's determination to allow a limited liability company an income tax expense. Since the Commission allows income tax expense

to a utility that files a consolidated return (and thus may not actually pay income taxes) the same should be true of a limited liability company.

Contractual Services – Management Fees:

OPC suggests that this Commission defer to a determination made by Sarasota County based upon a 2019 historical test year of a sister utility company in reducing the salary of several management company employees. At the outset, as indicated, the salary reductions were based upon a negotiated stipulation in which each party made concessions on various issues, in order to resolve all issues in that rate case. The sister utility company was satisfied with the end result so individual findings were irrelevant; thus, it is not reasonable to rely upon any individual finding.

Further, it would be inappropriate to use AWWA average salaries for any sort of comparison. Like the determination of return on equity, the analysis should be whether the salaries exceed the maximum. It should be noted that salaries in governmental utilities are lower in part, due to benefits private utilities cannot compete with, including governmental pensions, which are offset by higher salaries to employees in private companies.

Non-Recurring Expenses Pluris Recorded in Account 636:

Pluris experiences line repairs and hydrant testing regularly, so we disagree with OPC's amortization of these costs over a 5-year period.

Non-Recurring Expenses Pluris Recorded in Accounts 659 and 759:

The amounts referenced by OPC were true-ups of excess liability insurance.

Dues Pluris Recorded in Account 675:

Pluris disagrees with the removal of the dues paid to AWWA ("American Water Works Association"). The AWWA is a national association of all water and wastewater utilities, both private and governmental and the AWWA provides education through publication, seminars and conferences for all employees and managers of utilities in the US. The lessons learned through all members is a direct benefit to the industry in safeguarding the consumer.

Non-Recurring Hurricane Expenses Related to Wastewater Service:

Pluris accounted for this expense in accordance with regulatory standards.

Normalization Adjustments O&M Expenses:

Pluris spent more on generator fuel in 2022 than in previous years.

Other Potential Non-Recurring or Non-Recoverable Expenses:

Pluris has documentation supporting the costs referenced by OPC in these categories. Since no recommendation was made, Pluris has no further comment.

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Should you or Staff have any questions regarding this response please do not hesitate to contact me.

Very truly yours,

/s/ Martin S. Friedman

Martin Friedman

MSF: