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DIVISION OF
ACCOUNTING AND FINANCE
MARK A. CICHETTI
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Public Service Commission

March 2, 2026

Mr. Daniel McGinn
Jones Walker Law Firm
106 E. College Ave., Suite 1200
Tallahassee, FL 32301
dmcginn@joneswalker.com

STAFFS SECOND DATA REQUEST VIA EMAIL

Re: Docket No. 20250108-WS - Application for staff-assisted rate case in Lake County, by Sunlake Estates, LLC.

Dear Mr. McGinn:

Staff requests the following information to ensure the accurate treatment of the above-referenced rate case for Sunlake Estates, LLC (Utility) for the test year ended December 31, 2024. Please submit the Utility's response no later than **Monday, March 16, 2026**.

- 1. Pro Forma Financing:** Please explain how the Utility intends to finance the proposed pro forma investments. Please identify whether the funding will be obtained through debt, equity, or other financing sources. If funding has already been received for the pro forma investments, please provide any supporting documentation.
- 2. U.S. Environmental Protection Agency (EPA) Expense:** Audit staff identified an EPA expense in the amount of \$3,636.93 (Audit Workpaper 43-1.5). Please provide a description of the expense and how frequently the Utility incurs this expense. Lastly, indicate whether this expense is related solely to water service or both water and wastewater services.
- 4. Milian, Swain & Associates, Inc. Expenses:** In its application, the Utility is requesting to recover pro forma expenses, in the amount of \$5,000, for accounting consulting services. Please indicate when this service will be completed and provide any invoices, if available. Please indicate if the expenses are related to both water and wastewater services.
- 5. Bad Debt Expense:** According to the Utility's Annual Reports for the years 2022, 2023, and 2024, it recorded \$0 for bad debt expense.

- a. Please confirm that the reported bad debt expense of \$0 is accurate for the years 2022, 2023, and 2024.
- b. If not, please provide the correct bad debt expense amounts for each year.

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6. Outside Operator Costs: In its application, the Utility is requesting the recovery of a pro forma expense in the amount of \$8,831.77 due to an increase in outside operator costs.

- a. Please provide the 2026 monthly service fee used to calculate the cost increase.
- b. Please provide the 2026 outside operator contract and all related invoices.
- c. Please describe the tasks performed by the outside operator.

7. Salaries and Wages: Please explain how the Salaries and Wages expense of \$9,642 for water and wastewater was allocated from the parent company to the Utility. Please provide a detailed breakdown of the calculation, identify all allocation factors used, and include supporting documentation.

Please file all responses electronically via the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form (reference Docket No. 20250108-WS) and also please email the filed response to discovery-gcl@psc.state.fl. Please contact me by phone at (850) 413-6404 or by email blenberg@psc.state.fl.us if you have any questions.

Sincerely,
Brian Lenberg
s/ Brian Lenberg
Public Utility Analyst

BL:lg

Cc: Office Commission Clerk (Docket No. 20250108-WS)