

**Diamond Williams**

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**From:** Ann Bassett [abassett@lawfla.com]  
**Sent:** Monday, June 27, 2011 3:09 PM  
**To:** Filings Electronic <Filings@PSC.STATE.FL.US>  
**Cc:** William Rish; Doc Horton; Stephen Reily; Bart Fletcher; Keino Young; Marshall Willis; Patti Daniel; Michael McKenzie; Ralph Roberson  
**Subject:** Docket No. 100128-WU  
**Attachments:** 2011-06-27, 100128, Lighthouse Response to Staff 6th Data Request.pdf

The person responsible for this electronic filing is:

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The Docket No. is 100128-WU - Application for Increase in Water Rates in Gulf County by Lighthouse Utilities Company, Inc.

This is being filed on behalf of Lighthouse Utilities Company, Inc.

Total Number of Pages is 2

Lighthouse's Response to Staff's Sixth Data Request

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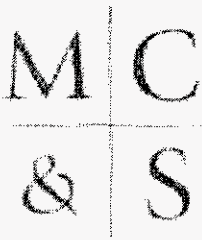
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6/27/2011

DOCUMENT NUMBER-DATE

04427 JUN 27 =

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June 27, 2011

**ELECTRONIC FILING**

Ms. Ann Cole, Commission Clerk  
Office of Commission Clerk  
Room 110, Easley Building  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Re: Docket No. 100128-WU

Dear Ms. Cole:

Enclosed for filing on behalf of Lighthouse Utilities Company, Inc. is an electronic version of Lighthouse Utilities Company, Inc.'s Response to Staff's Sixth Data Request in the above referenced docket.

Should you have any questions, please do not hesitate to contact me. Thank you for your assistance with this filing.

Sincerely,



Norman H. Horton, Jr.

NHH:amb

cc: Keino Young, Esq. (with enclosures)  
Office of Public Counsel (with enclosures)  
Mr. Jay Rish  
Mr. Michael McKenzie

## Lighthouse Utilities Company's Responses to STAFF'S SIXTH DATA REQUEST

Re: Docket No. 100128-WU, Application for increase in water rates in Gulf County  
by Lighthouse Utilities Company

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1. As was discussed in the meeting between the Utility, OPC and Commission Staff on June 9<sup>th</sup>, 2011, Staff requested, among other items, that the Utility explain its method of determining how kgals were back billed during the 2009 test year. Although the Utility has provided information regarding the amount, by customer, of each back billing that occurred during the test year, information regarding the first step of that calculation, that is, how each customer's total amount of non-billed usage was calculated or determined, was not provided. Therefore, please provide, for each customer, a description of the methodology used to determine each customer's total back billed amount.

**Response:** Our "drive by" meters read both mechanically and by transmitting the reading digitally. Our system has many homes that are unoccupied for extended periods of time so an account with no usage billed for several months is common. When we find no usage is billed for an extended period of time we acquire the mechanical reading and reconcile that reading with the transmitted reading. Any difference would be considered the total amount of non-billed usage. If the timeframe between readings exceeds the back billing limit of 12 months, the total non-billed usage is divided by the number of months between reads to obtain an average usage; this average is then multiplied by 12 to back bill. Each customer was back billed using the same method.

- a) Please state the reason(s) for the back billing.

**Response:** The reason for the back billing was to recoup the revenue lost during the system audit.

2. What circumstances caused the Utility to have this back billing problem during the test year?

**Response:** The manufacturer replaced all of our meters. Not all of our meters quit transmitting but were replaced as a preventative measure. The mechanical readings were correct.