

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: March 13, 2015

TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM: Kelley F. Corbari, Senior Attorney, Office of the General Counsel *KFC*

RE: **Docket No. 140219-WU** – Application for staff-assisted rate case in Polk County by Alturas Utilities, LLC.

Docket No. 140220-WU – Application for staff-assisted rate case in Polk County by Sunrise Utilities, LLC.

Attached please find Alturas and Sunrise responses to Staff's First Data Requests in the above-referenced dockets. Please file the attached correspondence in the above-referenced docket files.

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

KFC

From: [L.SZABO](#)
To: [Kelley Corbari](#)
Date: Thursday, March 12, 2015 10:54:32 AM
Attachments: [140219-WU Alturas Response filled.docx](#)
[140220-WU Sunrise Response filled.docx](#)
[Dunham Proposal.htm](#)

Dear Ms. Kelley,

I received your e-mail and looking forward to talk to you after 4 pm

Sending the filled format of Alturas and Sunrise responses, and I would like to know if you can forward them to the appropriate department the way they are.

I have signed them electronically and hope it will be acceptable.

Regards,

Leslie Szabo

March 11, 2015

Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Docket No. 140219-WU Application for staff-assisted rate case in Polk County by Alturas Utilities, LLC.

Dear Commission Staff:

The following are Alturas Utilities, LLC's responses to Staff's First Data Requests for information for the test year period of January 1, 2014, through December 31, 2014.

1. Purchased Water: All utility related bills from the beginning of the test year to present which include meter number and location, gallons used, dollars paid, and the Utility's account numbers.

Response:

We do not purchase any water.

2. Purchased Power: All utility related electricity bills from the beginning of the test year to present, which include meter number and location, kilowatts used, dollars paid, and the electric company's account numbers.

Response:

\$ 1,438 and detailed on page 14 in the Auditor's Report

3. Chemicals: A list of all chemicals used in the treatment of water, amounts purchased, quantity purchased, unit prices paid and dosage rates utilized.

Response:

\$ 722 and detailed on page 14 in the Auditor's Report

4. Contractual Services – Testing: A list of tests along with costs paid to outside laboratories for testing the water treatment during the test year.

Response:

Detailed in the Auditor's Report

5. Contractual Services – Other: The costs of operation and maintenance work not performed by utility employees with an explanation of the type of work performed. These costs include the operator's fee, mowing and grounds keeping and contracted repair for the water system.

Response:

Detailed in the Auditor's Report

6. Transportation Expenses: A schedule of all vehicles by serial number and description owned or leased by the utility, original cost or lease documents, who the vehicles are assigned to, and an explanation of how they are allocated to the utility, or a copy of the log book showing miles on personal vehicles associated with utility business. All vehicles are to be available for inspection.

Response:

The company does not own any vehicles or pays for any expenses for the manager or any person involved within the operation or maintenance for the usage of their own vehicles.

The person looking after servicing Alturas customers is receiving a monthly gas allowance of \$ 75.00 in a yearly total of \$ 900.00.

7. Copies of monthly operation reports for water from January 1, 2014, through December 31, 2014, (test year) which includes:

FOR WATER – Total water purchased or pumped, total wash water, total of each chemical in points, chemical dosages rates (average)

Response:

Detailed in the Auditor's Report

8. Copy of monthly totals of metered water sold for each month of the test year.

Response:

All documentation provided within the Auditor's Report

9. A written summary, by permit number, of all Department of Environmental Protection, Water Management District, and/or County Health Department permits.

Response:

It will be sent separately

10. If any plant addition has been made or will be required due to a written order from a governmental agency, please provide a copy of that order.

Response:

2015 is the Test Year for Drinking Water safety and a written order was issued by the Polk County Health Department.

We must Replace Water Tank Saddles and a written order was issued by the Polk County Health Department

The written orders will be sent separately.

A list of all service complaints received during the test year and four years prior to the test year. Please include an explanation of how each complaint was resolved.

Response:

There are no services provided outstanding complains.

Periodically are complains made from customers in attempt to get extension for their past due payments or to find excuses for not paying their bills.

All issues were looked after in a timely manner and they were proven wrong for their excuses.

They can be found in – Ms. Angie Calhoun weekly case report liason complaint files within the Public Service Commission records.

11. A listing of all assets owned by the utility.

Example: 250' – 6" PVC Pipe (Water)
50' – 6" PVC Fire Hydrants (Water)

Response:

Detailed in the Auditor's Report

12. Number of customers classified as to meter size and class (commercial or residential) for the following points in time:

- a) A minimum of 4 years prior to the beginning of the test (or calendar last) year.
- b) The beginning of the last calendar year.
- c) The end of the last calendar year.
- d) Present.

Response:

Alturas have a customer base of 65.

There were no changes with the exception the houses being rented or not.

Also there are more details in the Auditor's Report

13. Please provide a copy of the Utility's engineering maps for water showing location and size of water mains throughout the service area and customer location and classification.

Response:

We have difficulties to locate them due to the several management changes within the last 3 years and many documentation was not forwarded.

Hopefully they can be found in the history of Alturas files as we had a previous rate application previously to this one.

14. Please fill out the spreadsheet attached concerning any pro forma items. Please include any bid proposals or estimates for the pro forma items.

Response:

Regardless if the outstanding balances of the verified existing liabilities were not approved by the Auditor's Report they are the direct results of the shortage of revenues through the years.

Blount Utilities	\$ 2,700
Legal Expenses	\$ 4,247
RAF	\$ 1,384

They are real and by pretending they do not exist it will defeat the purpose of a sensible or workable financial structure of the Alturas.

Alturas Utilities, LLC Response No. 15

Site	Item	NARUC Account Number	Issue Relevance*	Problem	Solution	Regulatory Mandate (M) or Enhancement (E)	Comments	2015	2016	Total
			Drinking Water Monitoring 2015 is test year			Mandate		\$ 3,500		\$ 3,500
			Replace Water Tank Saddles			Mandate				\$ 10, 400 or \$ 17,500
			Replace exiting Electric Panel			Enhancement				\$ 6,500
			Replace Water Plant Piping			Enhancement				\$ 4,500
			Repair and replace exiting piping			Enhancement				\$9,500
			Paint interior of tank			Enhancement and mandatory				\$4,100

Please let me know if you have any questions or require additional information.

Sincerely,

/s/ Leslie Szabo

Alturas Utilities LLC

March 11, 2015

Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Docket No. 140220-WU Application for staff-assisted rate case in Polk County by Sunrise Utilities, LLC.

Dear Commission Staff:

The following are Sunrise Utilities, LLC's responses to Staff's First Data Requests for information for the test year period of January 1, 2014, through December 31, 2014.

1. Purchased Water: All utility related bills from the beginning of the test year to present which include meter number and location, gallons used, dollars paid, and the Utility's account numbers.

Response:

We do not purchase any water.

2. Purchased Power: All utility related electricity bills from the beginning of the test year to present, which include meter number and location, kilowatts used, dollars paid, and the electric company's account numbers.

Response:

\$ 2,277 and detailed in the Auditor's Report page 16

3. Chemicals: A list of all chemicals used in the treatment of water, amounts purchased, quantity purchased, unit prices paid and dosage rates utilized.

Response:

\$ 1,562 and detailed in the Auditor's Report page 16

4. Contractual Services – Testing: A list of tests along with costs paid to outside laboratories for testing the water treatment during the test year.

Response:

Detailed in the Auditor's Report

5. Contractual Services – Other: The costs of operation and maintenance work not performed by utility employees with an explanation of the type of work performed. These costs include the operator's fee, mowing and grounds keeping and contracted repair for the water system.

Response:

Detailed in the Auditor's Report

6. Transportation Expenses: A schedule of all vehicles by serial number and description owned or leased by the utility, original cost or lease documents, who the vehicles are assigned to, and an explanation of how they are allocated to the utility, or a copy of the log book showing miles on personal vehicles associated with utility business. All vehicles are to be available for inspection.

Response:

The Company does not own any vehicles or pays for any expenses for repairs for the manager or any person involved within the operation or maintenance for the usage of their own vehicles.

We have submitted payments made for their milage usages directly involved with the operation for the amount of \$ 1,976 .

It is disputed in the Auditor's Report on page 17

7. Copies of monthly operation reports for water from January 1, 2014, through December 31, 2014, (test year) which includes:

FOR WATER – Total water purchased or pumped, total wash water, total of each chemical in points, chemical dosages rates (average)

Response:

Detailed in the Auditor's Report

8. Copy of monthly totals of metered water sold for each month of the test year.

Response:

All documentation provided within the Auditor's Report

9. A written summary, by permit number, of all Department of Environmental Protection, Water Management District, and/or County Health Department permits.

Response:

It will be sent separately

10. If any plant addition has been made or will be required due to a written order from a governmental agency, please provide a copy of that order.

Response:

2015 is the Test year for Drinking Water Safety.

The written order from the Polk County Health Department will be sent separately.

11. A list of all service complaints received during the test year and four years prior to the test year. Please include an explanation of how each complaint was resolved.

Response:

There are no services provided outstanding complains.

Periodically are complains made from customers in attempt to get extension for their past due payment or to find excuses for not paying their bills.

All issues were looked after in a timely manner and they were proven wrong for their excuses.

They can be found in - Ms. Angie Calhoun weekly case report liason complaint files - within the Public Service Commission records

12. A listing of all assets owned by the utility.

Example: 250' – 6" PVC Pipe (Water)
50' – 6" PVC Fire Hydrants (Water)

Response:

Detailed in the Auditor's Report

13. Number of customers classified as to meter size and class (commercial or residential) for the following points in time:

- a) A minimum of 4 years prior to the beginning of the test (or calendar last) year.
- b) The beginning of the last calendar year.
- c) The end of the last calendar year.
- d) Present.

Response:

Sunrise have a customer base of 246.

There were no changes with the exception to house being occupied or not.

Sunrise has many vacant house and some of the meters are shot off.

14. Please provide a copy of the Utility's engineering maps for water showing location and size of water mains throughout the service area and customer location and classification.

Response:

We have difficulties to locate them due to the several management changes within the last 3 years and many documentation was not forwarded
Hopefully they can be found in the history of Sunrise files as we had a rate case application previously to this one.

15. Please fill out the spreadsheet attached concerning any pro forma items. Please include any bid proposals or estimates for the pro forma items.

Response:

Regardless if the outstanding balances of the verified and existing liabilities were not approved by the Auditor's Report they are the direct results of the shortage of revenues through the years.

Blount Utilities	\$ 2,440
Legal Expenses	\$ 4,247
RAF	\$ 12,614

They are real and by pretending they do not exist it will defeat the purpose of a sensible or workable rate case structure of Sunrise Utilities

Please let me know if you have any questions or require additional information.

Sincerely,

/s/s Leslie Szabo

Sunrise Utilities LLC

Proposal

DUNHAM WELL DRILLING, Inc.
 1341 42nd Street, N.W.
 Winter Haven, Florida 33881
 (863) 965-2881

PROPOSAL SUBMITTED TO Loslie Szabo c/o Wiley Pratt	PHONE	DATE March 11, 2015
STREET	JOB NAME Sunrise Water System and Alturas Water System	
CITY, STATE AND ZIP CODE	JOB LOCATION	

We hereby submit specifications and estimates for:
Sunrise Water System
 Repairs and modifications to the existing system include painting of the interior of both tanks. Replace existing piping and valves at well and install isolation valves in mainline.

Estimated Cost \$30,000.00

Alturas Water System
 Repair and modifications to the system includes 2 new tank saddles, paint interior of the tanks, replace existing electric panel, repair and replace existing piping.

Estimated Cost \$35,000.00

We Propose hereby to furnish material and labor - complete in accordance with above specifications, for the subject of the terms and conditions of this agreement, for the sum of _____ dollars (\$ _____)

Payment to be made as follows:
 Any alteration or deviation from the above specifications involving extra costs will be executed only upon request of the purchaser, and will become an extra charge over and above the estimate. All agreements are contingent upon strikes, accidents or delays beyond our control. All accounts in excess of thirty (30) days will have a finance charge of one and one-half percent (1 1/2%) per month on full unpaid balance which is an annual percentage rate of 18%. The minimum payment due will be the payment of the indebtedness in full. Buyer agrees to pay collection expenses, including reasonable attorney's fees and court costs. It is necessary to cover the account through legal action. Seller disclaims all warranties of merchantability or fitness in connection with the goods sold in accordance with this proposal, except as expressly provided herein in writing. By the Buyer's signature on this proposal, the person executing this proposal individually guarantees payment of the account including payment of all cost and expenses incurred by Dunham Well Drilling, Inc. in the collection of the indebtedness on the account, including reasonable attorney's fees incurred in connection with the collection work, litigation, appeals or otherwise. THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THE REVERSE SIDE WHICH ARE MADE PART OF THIS AGREEMENT.

DUNHAM WELL DRILLING, INC. Note: This proposal may be withdrawn by us if not accepted within _____ days.
 By: _____

Acceptance of Proposal - The above prices, specifications, items and conditions have been reviewed and are satisfactory and hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above and on the reverse side.
 Date of Acceptance: _____

Signature _____
 Signature _____