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Public Service Commission

May 26, 2016

STAFF'S FIRST DATA REQUEST

Mr. F. Marshall Deterding
Sundstrom & Mindlin, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Re: Docket No. 160030-WS - Application for increase in water and wastewater rates in Lee and Pasco Counties by Ni Florida, LLC

Dear Mr. Deterding:

By this letter, Commission staff requests that Ni Florida, LLC (Ni Florida or utility) provide responses to the following data requests:

1. The following items relate to all pro forma plant additions reflected in MFR Schedule A-3. For each addition, provide the following:
 - a) A statement why each addition is necessary;
 - b) A copy of all invoices and other support documentation if the plant addition has been completed or is in progress;
 - c) A copy of the signed contract or any bids, if the plant addition has not been completed;
 - d) A status of the engineering and permitting efforts, if the plant addition has not been through the bidding process;
 - e) The projected in-service date for each outstanding plant addition, and
 - f) All documentation (i.e. invoices) for the original cost of any corresponding retirements.

2. The following items relate to all pro forma plant retirements identified in MFR Schedule A-3. For each retirement, provide the following:
 - a) A statement explaining what information was relied upon to determine the in-service dates;
 - b) Any support documentation used to determine the in-service dates, and
 - c) The Handy Whitman support documentation used to calculate retirement adjustments.
3. According to MFR Schedule B-5, Contractual Services - Testing expense increased substantially in January, May, July, September, and December 2015 when compared to other months. Please provide all of the utility's calculations, basis, workpapers, and support documentation for the above increases in Contractual Services - Testing.
4. According to MFR Schedule B-5, Contractual Services - Other expense increased substantially in March, July, and September 2015 when compared to other months. Please provide all of the utility's calculations, basis, workpapers, and support documentation for the above increases in Contractual Services - Other.
5. According to MFR Schedule B-5, Contractual Services - Miscellaneous expense increased substantially in March, April, May, June, and December 2015 when compared to other months. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above increases in Contractual Services - Miscellaneous.
6. According to MFR Schedule B-6 Contractual Services - Legal expense increased substantially in November, and December 2015 when compared to other months. Please provide all of the utility's calculations, basis, workpapers, and support documentation for the above increases in Contractual Services - Legal.
7. According to MFR Schedule B-6, Contractual Services - Other expense increased substantially in March, August, and September 2015 when compared to other months. Please provide all of the utility's calculations, basis, workpapers, and support documentation for the above increases in Contractual Services - Other.
8. According to MFR Schedule B-6, Contractual Services - Miscellaneous expense increased substantially in March, April, May, June, and December 2015 when compared to other months. Please provide all of the utility's calculations, basis, workpapers, and support documentation for the above increases in Contractual Services - Miscellaneous
9. The following questions refer to the utility's contractual services expense on MFR B-9.
 - a) For wastewater Contractual Services - Engineering expense, please describe the type of work performed, why it was necessary, and provide support documentation for the amount included on page 2 of 2.

- b) For wastewater Contractual Services – Legal expense, please describe the work performed, why it was necessary, and provide support documentation for each amount included on page 2 of 2.
- c) For water and wastewater Contractual Services – Mgmt./Cust. Svc., please describe the day-to-day operations and activities that are included in the third party contract with Utility Group of Florida, LLC for operation of the water and wastewater systems. As part of your response, please include a copy of the contract between the utility and Utility Group of Florida, LLC for both systems.

10. The following questions refer to the utility's requested rate case expense on MFR Schedule B-10.

- a) For each individual person, in each firm providing consulting services to the utility in this docket, provide the billing rate, and an itemized description of work performed. Please provide detail of hours worked associated with each activity. Also provide a description and associated cost for all expenses incurred to date.
- b) For each firm or consultant providing services for the utility in this docket, please provide copies of all invoices for services provided to date.
- c) If rate consultant invoices are not broken down by hour, please provide revised consultant invoices that detail by hour, a description of actual duties performed, and amount incurred to date.
- d) Please provide an estimate of costs and hours to complete the case, for each consultant or employee, including a description of estimated work to be performed, and detail of the estimated remaining expense to be incurred through the PAA process.
- e) Please provide an itemized list of all other costs estimated to be incurred through the PAA process.

11. The following questions refer to the utility Allocation of Expenses on MFR Schedule B-12, Account 675 & 775 Miscellaneous Expense – Direct Assignment.

- a) On line 5, please explain why all of the "Travel" expense was allocated to wastewater, despite a description of allocation method that states "these expenses were incurred by the parent but are specifically assignable to Tamiami and Hudson." As part of your response, please provide documentation supporting the expense, which should include a description of why the travel was necessary, how the travel benefitted Tamiami and Hudson customers, date(s) of travel, names and positions of those traveling, and all related receipts justifying the expense.
- b) On line 7, "Billing/Cust. Service" expense was allocated to water only with a description of allocation method that states "these expenses were directly incurred by the Company and are not subject to allocation." Please explain why

Mr. F. Marshall Deterding

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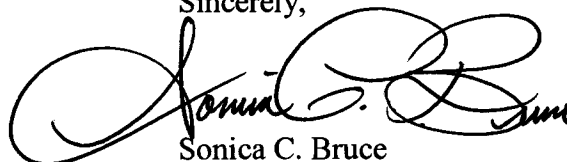
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“Billing/Cust. Service” expense would not be allocated to water and wastewater at 20.67 and 79.33 percent, respectively.

- c) On line 9, “Telephone” expense was allocated to wastewater only with a description of allocation method that states “these expenses were directly incurred by the Company and are not subject to allocation.” Please explain why “Telephone” expense would not be allocated to water and wastewater at 20.67 and 79.33 percent, respectively.
 - d) How did the Company determine the amount of “Legal” expense (line 6) that would be assigned to water and wastewater.
 - e) How did the Company determine the amount of “Bank fees” expense (line 8) that would be assigned to water and wastewater.
12. On MFR Schedule E-4, page 2 of 2, for wastewater, the utility indicated that the proposed rates for reconnections and meter re-reads are based on a new contract with Pasco County. Please provide a copy of the Pasco County contract.
13. For the water and wastewater systems, please provide, separately, the name and address of each general service customer by meter size.
14. For the water system, please provide the total number of units in the RV park. Please indicate whether the RV park has a clubhouse or pool.
15. For the wastewater system, the utility provides service to a mobile home park as a bulk customer; please provide the number of units in the mobile home park. Please indicate whether the mobile home park has a clubhouse or pool.

Please respond to staff’s data request by June 16, 2016 to allow this docket to be processed within the statutory time frame. Furthermore, please submit the following information to the Office of Commission Clerk, Docket No. 160030-WS, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0850. The information should not be addressed to staff. If you have any questions, please feel free to contact me at (850) 413-6994.

Sincerely,



Sonica C. Bruce

SB

cc: Office of Commission Clerk (Docket No. 160030-WS)