

Hong Wang

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**From:** Kathy Shoaf  
**Sent:** Friday, July 01, 2016 2:59 PM  
**To:** CLK - Agenda Staff; Commissioners & Staffs; Braulio Baez; Mark Futrell; Apryl Lynn; Keith Hetrick; Mary Anne Helton; Jennifer Crawford; Kyesha Mapp; Laura King; Andrew Maurey; Cheryl Bulecza-Banks; Bart Fletcher; Curt Mouring; John Slemkewicz  
**Cc:** Kate Hamrick; Jacqueline Moore; Nancy Harrison  
**Subject:** Approved Request for Oral Modification for Docket 150269-WS, UIF Limited Proceeding staff rec

Please see approved request for Oral Modification for Docket 150269-WS, UIF Limited Proceeding staff rec

**Kathy Shoaf**  
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Florida Public Service Commission  
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**From:** Braulio Baez  
**Sent:** Friday, July 01, 2016 2:21 PM  
**To:** Mark Futrell; Kathy Shoaf  
**Cc:** Cheryl Bulecza-Banks; Andrew Maurey  
**Subject:** RE: Docket 150269-WS, UIF Limited Proceeding staff rec

Approved. Thanks

Sent from my T-Mobile 4G LTE Device

----- Original message -----

**From:** Mark Futrell <[MFutrell@PSC.STATE.FL.US](mailto:MFutrell@PSC.STATE.FL.US)>  
**Date:** 7/1/16 1:23 PM (GMT-05:00)  
**To:** Braulio Baez <[BBaez@PSC.STATE.FL.US](mailto:BBaez@PSC.STATE.FL.US)>, Kathy Shoaf <[kshoaf@psc.state.fl.us](mailto:kshoaf@psc.state.fl.us)>  
**Cc:** Cheryl Bulecza-Banks <[CBulecza@PSC.STATE.FL.US](mailto:CBulecza@PSC.STATE.FL.US)>, Andrew Maurey <[AMaurey@PSC.STATE.FL.US](mailto:AMaurey@PSC.STATE.FL.US)>  
**Subject:** FW: Docket 150269-WS, UIF Limited Proceeding staff rec

Request for oral modification to Item 6.

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**From:** Cheryl Bulecza-Banks  
**Sent:** Friday, July 01, 2016 11:58 AM  
**To:** Mark Futrell  
**Cc:** Andrew Maurey  
**Subject:** FW: Docket 150269-WS, UIF Limited Proceeding staff rec  
**Importance:** High

Staff requests approval to make an oral modification to Item 6 scheduled for the July 7, 2016, Commission Conference. Staff's proposed modification affects the last paragraph on page 3 related to Utility Plant in Service, and correction of a scrivener's error on page 5, under the rate case expense section. These corrections do not affect staff's recommended increases or proposed rates.

**Revision to the last paragraph on page 3:**

In Seminole County, the Utility requested approval for preliminary costs associated with interconnecting its Ravenna Park and Crystal Lake water systems including upgrades to the Ravenna Park water treatment plant storage facilities ~~which were completed in July 2015~~. UIF stated that the project was initiated after excess infiltration of sand into the well pump of the sole water supply well, built in the 1950s, at Crystal Lake water system. The Utility proposed an interconnection after exploring two alternatives for the well failure. First, it explored downsizing the pump assembly and motor but found this option would not meet system demands and would lead to more pump replacements in the future. Second, it considered drilling a new well but found that the existing property's footprint was too small to allow for a new well. The cost for this portion of the interconnection project is \$98,033 which includes the engineering evaluation, design, geotechnical services, bid documentation, permitting, and well abandonment costs which was completed in July 2015. ~~In response to staff's data request, UIF provided the four bids submitted for the interconnection and the lowest cost option was selected.~~ Based on staff's review of invoices provided, the preliminary cost to complete the interconnection project is reasonable ~~and will meet customer demand~~.

**Scrivener's error on page 5:**

***Rate Case Expense***

In its filing, UIF estimated that the total rate case expense would be \$46,779 for Marion, Pasco and Seminole Counties. Per Schedule No. 12 of its filing, UIF requested total rate case expenses of \$14,474 and \$15,967 for Marion and Seminole Counties, respectively. The resulting 4-year amortization amounts were \$3,619 for Marion and \$3,992 for Seminole. In response to a staff data request, UIF submitted an updated total rate case expense of \$28,779 on June 10, 2016.<sup>[1]</sup> Staff reviewed the details of the updated rate case expense and determined that \$6,349 of the expense was related directly to Pasco County. While UIF's request for Pasco County has been bifurcated from this proceeding, staff believes rate case expense should still be allocated across all three counties. As a result, the remaining balance to be allocated among the three counties is \$22,430 (\$28,779 - \$6,349), of which \$17,959 of the \$22,430 rate case expense should be allocated equally among the three counties. The remaining \$4,471 of rate case expense related to customer notices postage and stock should be allocated on a ~~16.9~~ 16.8 percent for Marion, 39.3 percent for Seminole, and 43.9 percent for Pasco basis. The resulting annual rate case expense amortization is \$1,684 (\$6,737 divided by four years) for Marion County and \$1,936 (\$7,743 divided by four years) for Seminole County as shown on Schedule No. 4. The 4-year rate reduction for rate case expense is \$1,760 and \$2,023 for Marion and Seminole Counties, respectively. The recovery of any rate case expense related to Pasco County will be determined in the bifurcated portion of the limited proceeding.

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<sup>11</sup> Document No. 03733-16.