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STATE OF FLORIDA



DIVISION OF
ACCOUNTING AND FINANCE
ANDREW L. MAUREY
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Public Service Commission

July 14, 2016

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COMMISSION
CLERK

Mr. Leslie Szabo
Sunrise Utilities, L.L.C.
P. O. Box 2608
Eaton Park, FL 33840-2608
Email: l.szabo@rogers.com

RE: **Docket No. 140220-WU** – Application for staff-assisted rate case in Polk County by Sunrise Utilities, L.L.C. – Proof of Accounting Adjustments

Dear Mr. Szabo:

On March 1, 2016, the Commission voted on staff's recommendation dated February 18, 2016. Proposed Agency Action Order No. PSC-16-0126-PAA-WU (PAA Order) was issued on March 28, 2016, and became final on April 25, 2016 with the issuance of Consummating Order No. PSC-16-0162-CO-WU (Final Order).

The PAA Order requires that Sunrise Utilities, L.L.C. (Sunrise or Utility) provide written notification to the Commission within 90 days of the Final Order in this docket, that the Commission-approved adjustments for all applicable National Association of Regulatory Utility Commissioners' Uniform System of Accounts (NARUC USOA) primary accounts have been made. Sunrise's written notification that the accounting adjustments have been made is due by July 25, 2016.

If Sunrise will be unable to meet that deadline, the Utility must notify the Commission at least seven days prior to the deadline to request an extension. The request for extension must be submitted to the Commission in writing no later than July 18, 2016, and must explain why additional time is needed. Upon finding of good cause for the extension, the Commission staff has been given administrative authority to grant a one-time extension of up to 60 days.

A copy of Schedule No. 5 from the PAA Order that reflects the accumulated plant, depreciation, contributions-in-aid-of-construction (CIAC), and amortization of CIAC balances as of December 31, 2014, is attached for your reference. The Commission approved these balances for ratesetting purposes in this case. Please reconcile your books and records with the Commission-approved accumulated balances shown on the enclosed schedule, and provide written notification that the adjustments have been made by July 25, 2016, or a written request for extension by July 18, 2016.

Mr. Leslie Szabo

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Please feel free to contact me at (850) 413-7015 or mgolden@psc.state.fl.us if you have any questions or need any additional information that would assist you in completing the required accounting adjustments.

Sincerely,



Martha A. Golden
Regulatory Supervisor/Consultant

Enclosure

cc: Commission Clerk
Mr. Stuart Sheldon, President
Ms. Cathy E. Parker, E.A.
Mr. Irving Karlitz, C.P.A.

SUNRISE UTILITIES, LLC.	SCHEDULE NO. 5
TEST YEAR ENDED 12/31/2014	DOCKET NO. 140220-WU
SCHEDULE OF WATER PLANT, DEPRECIATION, CIAC, & CIAC AMORTIZATION BALANCES	

ACCT NO.	DEPR. RATE PER RULE 25-30.140	DESCRIPTION	UPIS 12/31/2014 (DEBIT)	ACCUM. DEPR. 12/31/2014 (CREDIT)*
301	2.50%	ORGANIZATION	\$750	\$285
303	0.00%	LAND AND LAND RIGHTS (NON-DEPRECIABLE)	553	0
304	3.70%	STRUCTURES AND IMPROVEMENTS	5,412	3,408
307	3.70%	WELLS AND SPRINGS	16,972	14,676
309	3.13%	SUPPLY MAINS	649	(273)
310	5.88%	POWER GENERATION EQUIPMENT	15,070	7,104
311	5.88%	PUMPING EQUIPMENT	17,377	4,341
320	5.88%	WATER TREATMENT EQUIPMENT	4,055	4,055
330	3.03%	DISTRIBUTION RESERVOIRS AND STANDPIPES	21,485	15,903
331	2.63%	TRANSMISSION AND DISTRIBUTION MAINS	12,393	8,253
334	5.88%	METERS AND METER INSTALLATIONS	12,257	10,408
340	6.67%	OFFICE FURNITURE AND EQUIPMENT	494	123
348	10.00%	OTHER TANGIBLE PLANT	<u>2,388</u>	<u>2,388</u>
		TOTAL INCLUDING LAND	<u>\$109,855</u>	<u>\$70,671</u>
			CIAC AMORT. 12/31/2014 (DEBIT)*	CIAC 12/31/2014 (CREDIT)
			<u>\$12,068</u>	<u>\$12,393</u>

* The accumulated depreciation balance excludes this Commission's averaging adjustment and the CIAC amortization balance excludes this Commission's \$325 pro forma adjustment, which are only used for rate-setting purposes and should not be reflected on the Utility's books.