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# Public Service Commission

September 12, 2016

Mr. F. Marshall Deterding  
Sundstrom & Mindlin, LLP  
2548 Blainstone Pines Drive  
Tallahassee, FL 32301

## STAFF'S FOURTH DATA REQUEST

**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. In response to Staff's First Data Request, Question 1, the utility provided invoices for the Tower Drive collection system replacement project. Invoice #03085 dated August 18, 2015 from Utility Group of Florida, LLC is for payment of \$17,609.23 to AWC, Inc. to "expedite purchase of Mission Communications."
  - a. Why was it necessary to expedite the purchase?
  - b. Please provide a detailed explanation of the material, fees, charges, etc. included in the invoiced amount of \$17,609.23.
  - c. Please provide a copy of invoice #SO1090590, referenced on Utility Group of Florida, LLC invoice #03085.
  - d. Are these the same Mission units that were included in pro forma plant in the 2013 order?
  - e. If so, why were these units not installed earlier when the utility planned to purchase them as early as 2013?
2. Please identify the specific work performed for each of the invoiced contingency amounts listed below and provide support documentation:
  - a. Invoice #0057509 from The Utility Group of Florida, LLC dated June 29, 2015: \$650.
  - b. Invoice #0059059 from The Utility Group of Florida, LLC dated July 23, 2015: \$3,600 for contingencies.

- c. Invoice #03197 from The Utility Group of Florida, LLC dated February 17, 2016: \$2,250 for contingencies.
3. In response to Staff's First Data Request, Question 7, the utility provided information in support of its Contractual Services – Other expense for the wastewater system. As part of its response, the utility included for \$4,014.00 (03/02/15) and \$1,274.71 (07/01/15) for “annual software maintenance and updates.” Please provide the following:
  - a. An explanation of the services performed and whether they are routinely done more than once a year.
  - b. A copy of the software maintenance contract with RVS Software.
  - c. The total spent by Hudson Utilities per year on software maintenance and updates for 2013 and 2014.
4. In response to Staff's First Data Request, Question 9, the utility provided a contract dated August 29, 2008. The utility also provided an addendum dated July 28, 2010 that is applicable to Tamiami.
  - a. Are the 2008 contract and 2010 addendum, referenced above, the documents currently governing the contractual operation of Ni's water system?
  - b. Is the 2008 contract, referenced above, the document currently governing the contractual operation of Ni's wastewater system?
  - c. On or about what date did the monthly contract amount change to \$14,000 per month for the wastewater system?
  - d. Why was a formal addendum to change to the monthly contractual services fee not undertaken?
5. Please provide support documentation for the utility's pollution insurance policy renewal.
6. Please explain whether the general liability insurance included in Acct. Nos. 657/757 is duplicative of the liability insurance included in the overhead allocations. As part of your response, please provide a copy of the policy, including premium information, for both Tamiami and Hudson.
7. In response to Staff's First Data Request, Question 9, the utility provided a contract for the management services of Utility Group of Florida, LLC. The contract indicated that the operator would perform billing and collection services, and provide a customer service office where customers may pay their bills, apply for service, obtain information, register complaints, and generally receive normal and customary billing and collecting services.
  - a. If the contract operator is providing these services as the contract indicates, please explain why Ni America is allocating overhead costs that include these functions.
  - b. If the utility discovers overhead costs that are duplicative of those included in the management services contract, please provide a list of the impacted positions and provide the total salaries, bonuses, and benefits related to these positions.



Mr. F. Marshall Deterding

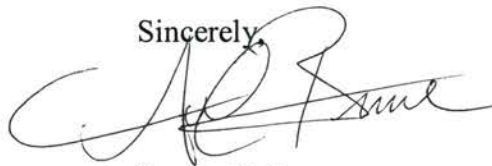
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8. Please explain what the "ERC Project" is and how it provides a benefit to the Florida ratepayers. Include in your response support documentation for the \$209,460 in consulting services associated with the project.
9. Please explain the reasonableness of allocating Ni America Capital Management's director fees to Tamiami and Hudson, which results in allocations of \$2,200 and \$8,442, respectively. Include in your response how the director fees provide a benefit to the Florida ratepayers.
10. In response to Staff's Second Data Request, Question 10, updated rate case expense included \$867.10 for travel expenses for F. Marshall Deterding. Please provide support documentation for this expense.
11. For the wastewater system, please explain why the mobile home park is classified as a bulk customer.
12. Pursuant to Section 367.091(4), Florida Statutes, a utility may only impose and collect those rates and charges approved by the commission for the particular class of service involved. Per the utility's water tariff, a normal reconnection charge is \$24; however, the utility had four occurrences wherein customers were charged \$27 for a normal reconnection. Please explain why these customers were charged this amount.

Please respond to staff's data request by September 26, 2016 to allow this docket to be processed within the statutory time frame. Please submit your response 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)