



September 22, 2016

**VIA E-FILING**

Carlotta S. Stauffer, Commission Clerk  
Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

RE: Docket No. 150269-WS; Application for limited proceeding water rate increase in Marion, Pasco, and Seminole Counties, by Utilities, Inc. of Florida.  
Our File No. 30057.224

Dear Ms. Stauffer:

The Staff has requested that Utilities, Inc. of Florida ("UIF") respond in writing to the post-agenda conference letter from Office of Public Counsel dated September 13, 2016.

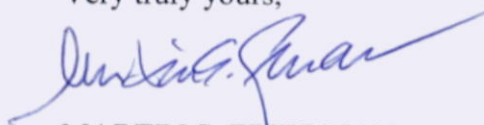
First Issue – Salvage Value for Hydro Tank. The hydro tank is not being abandoned, so there is no salvage value. The initial thought, as set forth in Mr. Flynn's prefiled testimony in the UIF rate case, is that the hydro tank will be relocated to the Cypress Lakes system. Although it is UIF's preference to use the hydro tank at the Cypress Lakes plant, that may not be possible depending upon the timing of the interconnect at Summertree. If the interconnect is not completed in time, UIF may have to purchase a new hydro tank for Cypress Lakes in which case it will use the Summertree hydro tank to replace one of the much older hydro tanks at the Orangewood system. The estimated cost addressed by Mr. Flynn was only for moving and installation costs and does not include any "value" for the hydro tank itself. The cost of a hydro tank this size is about \$25,000. The net book value of about \$57,000 on the Summertree books includes the installation and piping in addition to the hydro tank. The salvage value of the hydro tank would be less than \$5,000 which is why UIF would prefer repurposing it at another system. However, recovery of the expense of relocating that hydro tank is not being sought in this proceeding.

Second Issue – Depreciation. UIF calculated the loss on abandonment in compliance with Rule 25-30.433(9), F.A.C.

Staff has also asked that we file an update rate case expense Schedule which is attached.

Should you or Staff have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Martin S. Friedman", with a long, sweeping flourish extending to the right.

MARTIN S. FRIEDMAN  
For the Firm

MSF/

cc: John Hoy (via email)  
Patrick Flynn (via email)  
Danijela Janjic, Esquire (via email)  
Erik Sayler, Esquire (via email)  
Curt Mouring (via email)  
John Slemkewicz (via email)

**Friedman & Friedman, P.A.**

766 North Sun Drive, Suite 4030

Lake Mary, Florida 32746

Phone: (407) 830-6331

F.E.I.: 46-4480334

September 7, 2016

Utilities, Inc.

2335 Sanders Road

Northbrook, IL 60062 USA

Invoice No.: 3126

File No.: 30057.224

PLEASE REFER TO  
INVOICE NUMBER WHEN  
REMITTING.

**Attention:** John Stover

**RE:** UTILITIES INC. OF FLORIDA 2015 LIMITED PROCEEDING

**Balance Due Now**

**\$432.00**

**FEES**

		<u>Hours</u>	<u>Amount</u>	
08/18/16	MSF	Draft Affidavits of Mailing Final Customer Notices for Marion & Seminole Counties and letter to Mr. Deason concerning same; Review OPC letter to Staff and letter to Mr. Hoy and others concerning same; Letter to Mr. Deason regarding notices;	0.50	\$180.00
08/20/16	MSF	Review customer notices and affidavits and draft and efile Notice of Filing	0.20	\$72.00
08/30/16	MSF	Review executed Bulk Water Agreement; Research, draft and efile Notice of Filing;	0.20	\$72.00
08/31/16	MSF	Review Staff Recommendation and letter to Mr Hoy and others concerning same;	0.30	\$108.00
		Total Fees	1.20	\$432.00

Wyr	Lawyer	Date	Matter	Client	Matter Description	Law Type	Hours	Rate	Total
Entry #	Task	Explanation							
MSF	Martin S. Friedman	Sep 8/2016	30057.224	Utilities, Inc.	UTILITIES INC. OF FLORIDA 2015 LIMITED PROCEEDING	util			
37067					Telephone Conference with Mr. Hoy and Mr. Flynn who telephoned in preparation for Agenda;		0.40	360.00	144.00
No Hold	BWM								
BMF	Bridget M. Friedman	Sep 9/2016	30057.224	Utilities, Inc.	UTILITIES INC. OF FLORIDA 2015 LIMITED PROCEEDING	util			
37170					Review, research and respond to correspondence from Mr. Flynn regarding easements;		0.20	360.00	72.00
No Hold	BWM								
MSF	Martin S. Friedman	Sep 12/2016	30057.224	Utilities, Inc.	UTILITIES INC. OF FLORIDA 2015 LIMITED PROCEEDING	util			
37256					Review of Staff Recommendation in preparation for Agenda; Review new oral modification; Travel to Tallahassee for PSC Agenda		4.10	360.00	1476.00
No Hold	BWM								
MSF	Martin S. Friedman	Sep 12/2016	30057.224	Utilities, Inc.	UTILITIES INC. OF FLORIDA 2015 LIMITED PROCEEDING	util			
37268					Prepare for and attend Public Service Commission agenda and return to central Florida		8.00	360.00	2880.00
No Hold	BWM								
MSF	Martin S. Friedman	Sep 17/2016	30057.224	Utilities, Inc.	UTILITIES INC. OF FLORIDA 2015 LIMITED PROCEEDING	util			
37373					Research and draft letter to Clerk with response to OPC letter; Correspondence with Mr. Hoy;		0.30	360.00	108.00
No Hold	BWM								

\*\*\* Summary by Task Code \*\*\*

Task Code	Hours	Amount
BWM - Billable Work Monthly	13.00	4680.00
Total Billable	13.00	4680.00
Total:	13.00	4680.00

\*\*\* Summary by Working Lawyer \*\*\*

Working Lawyer	Hours	Amount
BMF - Bridget M. Friedman	0.20	72.00
MSF - Martin S. Friedman	12.80	4608.00
Total:	13.00	4680.00

REPORT SELECTIONS - Time Listing

Layout Template	Default
Advanced Search Filter	None
Requested by	MSF
Finished	Thursday, September 22, 2016 at 09:27:07 AM
Ver	14.1 (14.1.20150324)
Date Range	Sep/ 1/2016 To Sep/22/2016
Matters	30057.224
Clients	All
Major Clients	All
Client Intro Lawyer	All
Matter Intro Lawyer	All
Responsible Lawyer	All
Type of Law	All
Select From	Active, Inactive, Archived Matters
Working Lawyer	All
Task	All
Summarize by Type of Law	No
Sorted by	Order Entered
Time/Fee	Both
Include Daily totals	No
Include Held Items only	No
Matter Security Enabled	No
Printed from	Register

Utilities, Inc. of Florida  
 Docket No. 150269-WS  
Friedman & Friedman, P.A.

- Rate Case Expense Allocated to Pasco County per Order No. PSC-16-0296-PAA-WS: \$10,811.
- Attorneys' fees since July 7, 2016 Agenda - \$5,112.00 [\$252 is related to Marion/Seminole and should be removed from Pasco portion] (Invoice and Time Listing attached)
- Expenses since July 7, 2016 Agenda - \$1,376.03 (Includes UIF travel expenses)

ESTIMATE TO COMPLETE RATE CASE THROUGH PAA ORDER

<u>Hours</u>	<u>Description</u>
1.0 hrs.	Review and Respond to Data Request and OPC Post Agenda Issues
1.0 hrs.	Review Staff recommendation; Conference with client and consultants regarding recommendation; Conference with Staff regarding recommendation.
14.0 hrs.	Travel to and from Tallahassee; Prepare for and attend Agenda conference, discuss Agenda with client and Staff.
.5 hrs.	Review PAA Order; conference with client and consultants regarding PAA Order.
2.0 hrs.	Prepare revised tariff sheets, obtain Staff approval of tariffs; Draft customer notice, obtain Staff approval; Draft Affidavit of Mailing; Coordinate mailing of customer notices and implementation of tariffs.
18.5 hrs. @ \$360/hr.	<b>\$6,660.00 – TOTAL ESTIMATED ATTORNEYS FEES</b>

Estimate of costs to complete:

\$ 510.00 Attend Agenda Conference (travel/meals/hotel)  
 \$ 5.00 Estimated photocopier costs  
**\$ 515.00 TOTAL ESTIMATED AND UNBILLED COSTS**

**COMPANY COSTS (meals & hotel) TO ATTEND AGENDA: \$434.00 (mileage included in legal costs)**

**TOTAL ACTUAL AND ESTIMATED LEGAL FEES: \$22,331.00<sup>1</sup>**  
**TOTAL ACTUAL AND ESTIMATED COSTS: \$2,325.03**

<sup>1</sup> Includes a \$252 reduction for legal fees for non-Pasco County matters