

LP WATERWORKS, INC.

FILED OCT 17, 2016
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FPSC - COMMISSION CLERK

October 12, 2016

Office of Commission Clerk
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

RECEIVED-FPSC
2016 OCT 17 AM 11:49
COMMISSION
CLERK

Re: Application of LP Waterworks, Inc. for Staff Assisted Rate Case in Highlands County for increased water and wastewater rates

Dear Commission Clerk,

Please find attached LP Waterworks, Inc. (LPWW) application for a staff assisted rate case (SARC) in Highlands County for increased water and wastewater rates.

Need for Rate Relief

LPWW last filed for a SARC in 2013, which culminated in Order No. PSC-14-0413-PAA-WU, issued August 14, 2014 (PAA Order), in Docket No. 130153-WS. The PAA Order approved a Settlement Agreement entered into between LP Waterworks, Inc., Camp Florida Property Owners Association, and the Office of Public Counsel. The Settlement Agreement was entered into on June 2, 2014 and established a two phases of rate implementation and also provided that the Utility would seek a rate increase no sooner than September 2016.

In Order No. PSC-14-0413-PAA-WU, the Commission found that the water treatment facility was 100% used and useful; the water distribution system was 87% used and useful; the wastewater treatment plant was 59% used and useful and the wastewater collection system was 100% used and useful.

Also in Order No. PSC-14-0413-PAA-WU, the approved Phase II revenue requirements were \$119,444 for water and \$97,065 for wastewater with a rate of return of 8.74%.

For the test year ending August 31, 2016, the water revenues were \$107,183, with a net operating loss of (\$2,863) and wastewater revenues were \$84,240, with a net operating loss of (\$11,866.) LPWW is requesting an overall rate of return (ROR) of 7.71% with a return on equity of 9.39% based on the most recent leverage formula in Order No. PSC-16-0254-PAA-WS, issued June 29, 2016.

The main reason for the need to request the SARC is due to the significant decrease in water consumption. The chart below shows this decrease in water consumption:

<u>Year</u>	<u>Billed Consumption</u>
2013 (February – December)	12,277,000
2014	11,656,000
2015	8,881,000
2016 (January – August)	7,123,000

LP Waterworks, Inc.
Staff Assisted Rate Case Request
October 12, 2016

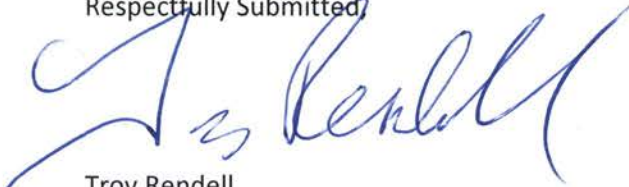
In addition, since the last test year ending May 31, 2013, LPWW has invested \$45,379 in water plant and \$70,034 in wastewater plant during the years 2014 and 2015. LPWW is also requesting pro forma plant for wastewater for a manhole rehabilitation and repair which occurred in October 2016. This manhole is located on a customer's property and was collapsing causing the customer's yard to sink. LP Waterworks has included the estimated costs in its SARC filing and will provide actual invoices once received. The Utility has included part of the estimate as an attachment. However, a pump truck also had to be brought in for the completion of the work and the invoice has not been received yet.

The Utility is requesting water and wastewater rates which will allow it to recover all prudently incurred expenses the Utility will incur on a going-forward basis, and generate a fair rate of return on its investment in all property considered used and useful in the public service. In support of its requested rate increase, LPWW provides the following information attached to this letter:

1. Commission Application for Staff Assisted Rate Case Form PSC/AFD 2-W;
2. LPWW's supporting schedules for requested test year ending August 31, 2016 including:
 - a. Schedule 1-A – Water Rate Base
 - b. Schedule 1-C – Adjustments to Rate Base
 - c. Schedule 2 – Capital Structure
 - d. Schedule 3 – A – Statement of Water Operations
 - e. Schedule 3-C – Adjustments to Operating Income
 - f. O&M Expenses – Water
 - g. Schedule RCE – Analysis of Rate Case Expense
 - h. Plant, Accumulated Depreciation, Depreciation Expenses – Adjustments for Use and Useful – Water
 - i. Schedule A-5 – Average Plant in Service – by Primary Account
 - j. Schedule A-9 – Average Accumulated Depreciation by Primary Account
 - k. Schedule A-14 – Average CIAC and Accumulated Amortization
 - l. Taxes Other Than Income Schedule
 - m. Allocation of Revenue Requirement – Rate Design – Water / Wastewater
 - n. Schedule E-1w – Water Rates at Present and Proposed Rates (with elasticity adj.)
 - o. Schedule 4 – A – Utility Requested Water Rate Schedule
 - p. Schedule F-1 – Gallons of Water Purchased, Sold and Unaccounted For
 - q. Schedule F-2 – Gallons of Wastewater Treated

The total filing fee in the amount of \$1,500 is also attached to this SARC application pursuant to Rule 25-30.30.020(2)(f), Florida Administrative Code.

Respectfully Submitted,



Troy Rendell
Manager of Regulated Utilities
// for LP Waterworks, Inc.

LP Waterworks Inc
4939 Cross Bayou Blvd.
New Port Richey, FL 34852
727-848-8292

TD BANK, NATIONAL ASSOCIATION
TD Bank
63-1482/870

1265

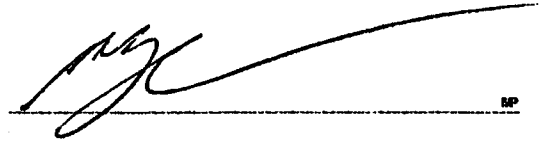
10/12/2016

PAY TO THE ORDER OF Florida Public Service Commission

\$ **1,500.00

One Thousand Five Hundred and 00/100***** DOLLARS

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850



LP Waterworks Inc

1265

Florida Public Service Commission

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
10/12/2016	Bill	Filing Fee	1,500.00	1,500.00		1,500.00
					Check Amount	1,500.00

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward deposit information to Records.

Initials of person who forwarded check:

JMS
10/7/16

Cash Bank-Checking

1,500.00

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A STAFF ASSISTED RATE CASE

I. GENERAL DATA

A

Name of Utility: **LP Waterworks, Inc.**

B

Address: **4939 Cross Bayou Blvd., New Port Richey, FL 34652**

1. Telephone Nos.: **(727) 848- 8292**

2. County: **Highlands**

Nearest City: **Lake Placid, FL**

3. General Area Served: **Camp Florida Resort RV Park**

C

Authority: **See Order No. PSC-14-0130-PAA-WS, issued March 17, 2014**

1. Water Certificate No. **620-W** Date Received: **March 17, 2014**

2. Wastewater Certificate No. **533-S** Date Received: **March 17, 2014**

3. Date Utility Started Operations: Water: **1988** Wastewater: **1988**

D

How System Was Acquired: **Purchased from LP Utilities Corporation**

If utility was purchased, give date **December 27, 2012** Amount Paid \$ **\$165,000**

1. Name of Seller: **LP Utilities Corporation**

2. Was seller affiliated with present owners? Yes No

3. Did you purchase: Stock or assets only

E

Type of Legal Entity:

Corporation Partnership Sole Proprietorship

F

Ownership & Officers:

	Name	Title	Percent Ownership
1.	<u>Gary Deremer</u>	<u>President</u>	<u>51%</u>
2.	<u>Cecil Delcher</u>	<u>Vice-President</u>	<u>19%</u>
3.	<u>Dave Shultz, Sr.</u>	<u></u>	<u>15%</u>
4.	<u>Vickie Penick</u>	<u></u>	<u>5%</u>

G

List of Associated Companies and Addresses:

U.S. Water Services Corporation
4939 Cross Bayou Blvd.
New Port Richey, FL 34652

H

If you have retained an attorney and/or a consultant to represent the utility for this application, furnish the name(s) and address(es):

Name:

Address:

Troy Rendell, U.S. Water Services Corporation

4939 Cross Bayou Blvd.
New Port Richey, FL 34652

II. ACCOUNTING DATA

A

Outside Accountant

- 1. Name: **Jack Baillie, Jr.**
- 2. Firm: **J.S. Baillie, Jr.**
- 3. Address: **2153 Grand Blvd., Holiday, FL 34690**
- 4. Telephone: **(727) 937- 6650**

B

Individual To Contact On Accounting Matters:

- 1. Name: **Troy Rendell, Manager of Regulated Utilities, U.S. Water Services Corp.**
- 2. Telephone: **(727) 848- 8292 ext. 245**

C

Location of Books and Records: **4939 Cross Bayou Blvd., New Port Richey, FL 34652**

D

Have you filed an Annual Report with the Commission? Yes No

Date Last Filed: **2015**

E

Has your latest Regulatory Assessment Fee Payment been made?

(January 30 or July 30 whichever is applicable) Jan 30 July 30

F. Basic Rate Base Data: (Most recent two years)

	<u>Year Ending</u> <u>12/31/2015</u>	<u>Proposed</u> <u>Test Year</u> <u>8/31/2016</u>
1. <u>Water:</u>		
Cost of Plant In Service	<u>\$553,830</u>	<u>\$ 554,847</u>
Less Accumulated Depreciation	<u>(350,856)</u>	<u>(362,984)</u>
Less Contributed Plant	<u>(266,480)</u>	<u>(266,480)</u>
Plus Accumulated Amortization – CIAC	<u>160,862</u>	<u>167,447</u>
Net Owner's Investment	\$ 97,356	\$ 92,829

	<u>Year Ending</u> <u>12/31/2015</u>	<u>Proposed</u> <u>Test Year</u> <u>08/31/2016</u>
2. <u>Wastewater:</u>		
Cost of Plant In Service	\$ 477,119	\$ 477,119
Less Accumulated Depreciation	(301,014)	(311,950)
Less Contributed Plant	(92,400)	(92,400)
Plus Accumulated Amotrization - CIAC	53,417	55,709
Net Owner's Investment	\$ 137,122	\$ 128,477

G. Basic Income Statement: (Most recent two years)

	<u>Year Ending</u> <u>12/31/2015</u>	<u>Proposed</u> <u>Test Year</u> <u>08/31/2016</u>
1. <u>Water:</u>		
Revenues (By Class)		
a. Residential	\$ 15,557	\$ 17,087.12
b. Commercial	73,884	87,428.07
c. Other	2,408	2,667.80
Total Operating Revenues:	\$ 91,849	\$ 107,182.99
Less Expenses:		
a. Salaries & Wages - Employees	0	0
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	6,120	6,120
c. Employee Pensions & Benefits	0	0
d. Purchased Water	0	0
e. Purchased Power	3,028	2,770
f. Fuel for Power Production	0	0
g. Chemicals	140	650
h. Contractual Services – Customer Service	0	0
i. Contractual Services - Professional	79,285	79,598
j. Contractual Services - Legal	379	2,575 1
k. Contractual Services – Accounting	0	-638
l. Materials and Supplies	0	0
m. Rental of Real Estate	220	220
n. Office Supplies	0	0
o. Insurance Expense	450	619
p. Regulatory Commission Expense	0	0
q. Bad Debt Expense	2,035	-408
r. Miscellaneous Expense	2,373	1,306

s.	Depreciation Expense	19,497	19,490
t.	CIAC Amortization Expense	(9,823)	-9,861
u.	Property Taxes	4,561	\$2,782
v.	Other Taxes - RAFs	4,133	4,823
w.	Income Taxes	0	0
	Operating Income (Loss)	(20,548)	-\$2,863
		Year Ending 12/31/2015	Proposed Test Year
2.	<u>Wastewater</u>		
	Revenues (By Class):	\$	\$
a.	Residential	1,282	1,340.11
b.	Commercial	75,939	82,900.24
c.		0	0
	Total Operating Revenues:	\$ 77,221	\$ 84,240.35
	Less Expenses:		
a.	Salaries & Wages - Employees	0	0
b.	Salaries & Wages - Officers, Directors, & Majority Stockholders	5,880	5,880
c.	Employee Pensions & Benefits	0	0
d.	Purchased Wastewater Treatment	0	0
e.	Sludge Removal Expense	0	2,312
f.	Purchased Power	4,535	4,528
g.	Fuel for Power Production	0	0
h.	Chemicals	1,345	525
i.	Materials & Supplies	0	0
j.	Contractual Services - Professional	60,292	60,530
k.	Contractual Services - Accounting	0	-613
	Contractual Services - Legal	379	835
	Rents	0	0
	Insurance Expense	450	619
l.	Regulatory Commission Expense	0	0
m.	Bad Debt Expense	1,495	156
n.	Miscellaneous Expense	0	0
o.	Depreciation Expense	14,437	16,535
p.	Amortization CIAC	(3,068)	-3,434
q.	Property Taxes	2,201	\$4,399
r.	Other Taxes	3,475	3,791
s.	Income Taxes	0	0
	Operating Income (Loss)	(14,201)	-\$11,823

H. Outstanding Debt:

	Creditor	Date Borrowed	Balance Due	Interest Rate	Expiration Date
1.	U.S. Water Services Corp	January 1, 2015	\$56,212	4.0%	January 1, 2020
2.					
3.					
4.					

I. Indicate Type of Tax Return Field:

- Form 1120 -Corporation
- Form 1120S -Subchapter S Corporation
- Form 1065 - Partnership
- Form 1040 - Schedule C - Individual (Proprietorship)

III

ENGINEERING DATA

A. Outside Engineering Consultant:

- 1. Name: **N/A**
- 2. Firm:
- 3. Address:
- 4. Telephone: ()

B. Individual to contact on engineering matters:

- 1. Name: **Troy Rendell, Manager of Regulated Utilities, U.S. Water Service Corp.**
- 2. Telephone: **(727) 848- 8292 ext. 245**

C. Is the utility under citation by the Department of Environmental Protection (DEP) or County Health Department?
No.

If yes, explain: **N/A.**

D. List any known service deficiencies and steps taken to remedy problems: **Pro forma plant to repair and rehab a manhole in wastewater collection system.**

E. Name of plant operator(s) and DEP operator certificate number(s) held:

Ron Derossett - U.S. Water Services Corporation
Water Class A - 00003531
Wastewater – Class A - 0003216

F. Is the utility serving customers outside of its certificated area? **No**

If yes, explain: **N/A**

G. Wastewater:

- 1. Gallons per day capacity of treatment facilities:
 - a. Existing: **50,000**
 - b. Under Construction: **0**
 - c. Proposed: **50,000**
- 2. Type and make of present treatment facilities: **Marlof Concrete**

3. Approximate average daily flow of treatment plant effluent: **25,449**

4. Approximate length of wastewater mains:

Size (diameter):	4" Force	4"/6"/8"			
Linear feet:	918	9,313			

5. Number of manholes: **47**

6. Number of lift stations: **1**

7. How do you measure treatment plant effluent? **Ultrasonic flow meter at V-notch wier**

8. Is the treatment plant effluent chlorinated? Yes No

If yes, what is the normal dosage rate? **1.6 lbs/day**

9. Tap in fees – Wastewater: \$ **400.00**

10. Service availability fees – Wastewater: \$ **Main Extension – Actual Cost**

11. Note DEP Treatment Plant Certificate Number and date of expiration:

Number Expiration Date: **FLA 01430 – Exp. 05-11-2020**

12. Total gallons treated during most recent twelve months: **9,289,000**

13. Wastewater treatment purchased during most recent twelve months: **0**

H. Water: PWS ID No. 6280304

1. Gallons per day capacity of treatment facilities:

a. Existing: **200,000** b. Under Construction : **n/a** c. Proposed: **n/a**

2. Type of treatment: **Disinfection**

3. Approximate average daily flow of treated water: **44,624 gpd**

4. Source of water supply: **Ground Water**

5. Types of chemicals used and their normal dosage rates: **Sodium Hypochlorite**

6. Number of wells in service: **2**

Total capacity in gallons per minute (gpm): **gpm**

Diameter/Depth:	10" / 1,780	6" / Unknown	
Motor horsepower:	50	20	
Pump capacity (gpm):	500	350	

7. Reservoirs and/or hydropneumatic tanks:

Description:	Steel / Ground	Steel / Ground	
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Capacity:	11,000	14,000	
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8. High service pumping:

Motor horsepower:	N/A		
Pump capacity (gpm):	N/A		

9. How do you measure treatment plant production? Well Meters

10. Approximate feet of water mains:

Size (diameter):	8"	6"	4"	3" / 2" / 1"
Linear feet:	2,790 lf	9,440	1,660	2,818 / 920 / 9,258

11. Note any fire flow requirements and imposing government agency: Highlands County
500 gpm

12. Number of fire hydrants in service: 3

13. Do you have a meter change out program? No Yes

14. Meter installation or tap in fees - Water \$ 189.00

15. Service availability fees - Water \$ 200.00

16. Has the existing treatment facility been approved by DEP? No Yes

17. Total gallons pumped during most recent twelve months: 16,287,643

18. Total gallons sold during most recent twelve months: 9,728,000

19. Gallons unaccounted for during most recent twelve months: 5,132,283

20. Gallons purchased during most recent twelve months: N/A

IV. RATE DATA

A. Individual to contact on tariff matters:

1. Name: Troy Rendell

2. Telephone Number: (727) 848- 8292 ext. 245

B. Schedule of present rates: (Attach additional sheets if more space is needed)

1. Water:

a. Residential Water

BFC - \$8.54
Gallage Charge -
0 - 3,000 - \$4.91
Over 3,000 - \$7.21

b. General Service

BFC - \$8.54
Gallage Charge - \$5.91

c. Special Contract

d. Other - Specify

2. Wastewater:

a. Residential Wastewater

BFC - \$12.27
Gallage Charge - \$4.94
(8,000 gallon cap)

b. General Service

BFC - \$12.27
Gallage - \$5.92

c. Special Contract

d. Other - Specify _____

C. Number of Customers: (Most recent two years)

	<u>2015</u>	<u>Test Year</u>
1. Water Metered		
a. Residential	427	423
b. General Service	19	22
c. Special Contract	0	
d. Other - Specify	0	
2. Water Unmetered	<u>2015</u>	<u>Test Year</u>
a. Residential	0	
b. General Service	0	
c. Special Contract	0	
d. Other - Specify	0	
3. Wastewater	<u>2015</u>	<u>Test Year</u>
a. Residential	369	371
b. General Service	17	17
c. Special Contract	0	
d. Other - Specify	0	

V. AFFIRMATION

I, Gary Deremer the undersigned owner, officer, or partner of the above named public utility, doing business in the State of Florida and subject to the control and jurisdiction of the Florida Public Service Commission, certify that the statements set forth herein are true and correct to the best of my information, knowledge, and belief.

Signed _____

Title President

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

LP Waterworks, Inc.
Filing Fee Pursuant to Rule 25-30.020, Florida Administrative
Code

Water

Permitted Capacity: 200,000 gallons
350 gpd per ERC: 350 gpd
Number of ERCs 571.43 ERCs

Filing Fee: \$1,000

Wastewater:

Permitted Capacity: 50,000 gallons
280 gpd per ERC: 280 gpd
Number of ERCs 178.57 ERCs

Filing Fee: \$500

LP Waterworks, Inc.
Schedule of Water Rate Base
Test Year Ended 08/31/16

Schedule No. 1-A
Docket No. 16XXXX-WS

Description	Test Year Per Utility	Adjustments	Adjusted Test Year
1 Plant in Service	\$527,435	\$0	\$527,435
2 Land and Land Rights	27,412	0	27,412
3 Non-used and Useful Components	-12,746	0	-12,746
4 Accumulated Depreciation	-362,984	0	-362,984
5 CIAC	-266,480	0	-266,480
6 Amortization of CIAC	167,447	0	167,447
7 Working Capital Allowance	<u>11,602</u>	<u>45</u>	<u>11,646</u>
8 Rate Base	<u>\$91,685</u>	<u>\$45</u>	<u>\$91,730</u>

LP Waterworks, Inc.
Schedule of Wastewater Rate Base
Test Year Ended 08/31/16

Schedule No. 1-B
Docket No. 16XXXX-WS

Description	Test Year Per Utility	Adjustments	Adjusted Test Year
1 Plant in Service	\$441,119	\$6,160	\$447,279
2 Land and Land Rights	36,000	0	36,000
3 Non-used and Useful Components	-2,438	0	-2,438
4 Accumulated Depreciation	-311,950	-83	-312,034
5 CIAC	-92,400	0	-92,400
6 Amortization of CIAC	55,709	0	55,709
7 Working Capital Allowance	<u>9,347</u>	<u>134</u>	<u>9,480</u>
8 Rate Base	<u>\$135,386</u>	<u>\$6,210</u>	<u>\$141,596</u>

LP Waterworks, Inc.
Adjustments to Rate Base
Test Year Ended 08/31/16

Schedule No. 1-C
Docket No. 16XXXX-WS

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1 Pro Forma Manhole Repair	\$0	\$6,160
Total	\$0	\$6,160
<u>Land</u>		
2 Total	\$0	\$0
<u>Non-used and Useful</u>		
3 Order No. PSC-14-0413-PAA-WS	(\$12,746)	(\$2,438)
<u>Accumulated Depreciation</u>		
4 Pro Forma Manhole Repair	\$0	(\$83)
Total	\$0	(\$83)
<u>CIAC</u>		
5 Total	\$0	\$0
<u>Accumulated Amortization of CIAC</u>		
6 Total	\$0	\$0
7 <u>Working Capital</u>	\$45	\$134

LP Waterworks, Inc.
Statement of Water Operations
Test Year Ended 08/31/16

Schedule No. 3-A
Docket No. 16XXXX-WS

Description	Test Year Per Utility	Adjustments	Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$107,183</u>	<u>\$0</u>	<u>\$107,183</u>	<u>\$8,842</u> 8.25%	<u>\$116,025</u>
Operating Expenses					
2 Operation & Maintenance	92,812	358	93,170		93,170
3 Depreciation	19,490	-923	18,566		18,566
4 Amortization CIAC	-9,861	-923	-10,785		-10,785
5 Taxes Other Than Income	7,606	0	7,606	398	8,004
6 Income Taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
7 Total Operating Expense	<u>110,046</u>	<u>-1,489</u>	<u>108,557</u>	<u>398</u>	<u>108,955</u>
8 Operating Income	<u>-\$2,863</u>	<u>\$1,489</u>	<u>-\$1,374</u>	<u>\$8,444</u>	<u>\$7,070</u>
9 Rate Base	<u>\$91,685</u>		<u>\$91,730</u>		<u>\$91,730</u>
10 Rate of Return	<u>-3.12%</u>		<u>-1.50%</u>		<u>7.71%</u>

LP Waterworks, Inc.
Statement of Wastewater Operations
Test Year Ended 08/31/16

Schedule No. 3-B
Docket No. 16XXXX-WS

Description	Test Year Per Utility	Adjustments	Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$84,240</u>	<u>\$0</u>	<u>\$84,240</u>	<u>\$22,805</u> 27.07%	<u>\$107,045</u>
Operating Expenses					
2 Operation & Maintenance	\$74,773	\$1,069	\$75,841		\$75,841
3 Depreciation	16,578	-2,069	14,509		14,509
4 Amortization CIAC	-3,434	0	-3,434		-3,434
5 Taxes Other Than Income	8,190	0	8,190	1,026	9,217
6 Income Taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
7 Total Operating Expense	<u>96,106</u>	<u>-1,001</u>	<u>95,106</u>	<u>1,026</u>	<u>96,132</u>
8 Operating Income	<u>-\$11,866</u>	<u>\$1,001</u>	<u>-\$10,866</u>	<u>\$21,779</u>	<u>\$10,913</u>
9 Neg Rate Base - Use O&M	<u>\$135,386</u>		<u>\$141,596</u>		<u>\$141,596</u>
10 Rate of Return	<u>-8.76%</u>		<u>-7.67%</u>		<u>7.71%</u>

LP Waterworks, Inc.
 Adjustment to Operating Income
 Test Year Ended 08/31/16

Revised Schedule 3-C
 Docket No. 16XXXX-WS
 REVISED 10/21/2015

Explanation	Water	Wastewater
<u>Operating Revenues</u>		
1	\$0	\$0
2	\$0	\$0
Total	\$0	\$0
<u>Operation and Maintenance Expense</u>		
1 Rate Case Expense Amortization	\$430	\$430
2 Unaccounted for Water - Purchased Power	(\$596)	
3 Unaccounted for Water - Chemicals	(\$140)	
4 Adjustment to General Liability Insurance to actual	\$26	\$26
5 To remove negative accrual - Accounting	\$638	\$613
6 Total	\$358	\$1,069
<u>Depreciation Expense - Net</u>		
1 Order No. PSC-14-0413-PAA-WS	(\$923)	(\$2,236)
2 Pro Forma Manhole Repair	\$0	\$166
Total	(\$923)	(\$2,069)
<u>Taxes Other Than Income</u>		
4 To reflect appropriate RAFs test year revenues	\$0	\$0
Total	\$0	\$0

LP Waterworks, Inc.
 Capital Structure-Simple Average
 Test Year Ended 08/31/16

Schedule No. 2
 Docket No. 16XXXX-WS
 REVISED 10/21/2015

Description	Total Capital	Specific Adjustments	Subtotal Adjusted Capital	Prorata Adjustments	Capital Reconciled to Rate Base	Ratio	Cost Rate	Weighted Cost
Per Utility								
11 Long-term Debt	\$56,212	\$0	\$56,212	\$9,573	\$65,786	28.19%	4.00%	1.13%
12 Short-term Debt	0	0	\$0	\$0	0	0.00%	0.00%	0.00%
13 Preferred Stock	0	0	\$0	\$0	0	0.00%	0.00%	0.00%
14 Common Equity	138,719	0	\$138,719	\$23,625	162,344	69.58%	9.39%	6.54%
15 Customer Deposits	4,440	0	\$4,440	\$756	5,196	2.23%	2.00%	0.04%
16 Deferred Income Taxes	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>\$0</u>	<u>0</u>	<u>0.00%</u>	0.00%	<u>0.00%</u>
20 Total Capital	<u>\$199,372</u>	<u>\$0</u>	<u>\$199,372</u>	<u>\$33,955</u>	<u>\$233,326</u>	<u>100.00%</u>		<u>7.71%</u>
						<u>LOW</u>	<u>HIGH</u>	
						RETURN ON EQUITY	<u>8.39%</u>	<u>10.39%</u>
						OVERALL RATE OF RETURN	<u>7.01%</u>	<u>8.40%</u>

WATER UTILITY PLANT ACCOUNTS

ACCT. NO.	ACCOUNT NAME	Test Year Plant		Adjusted Balance	Depr Rates Per Rule	Test Year Acc Depr		Adjusted Balance	Test Year Depr Exp	Adjusted Balance	NON-U/U %	NON-U/U Adj to Plant	NON-U/U Adj to Acc. Depr	NON-U/U Adj to depr exp	
		Per Books	Adjustments			Acc Depr	Adjustments								
301	Organization	471	0	471	2.50%	188	0	188	12	0	0	0	#N/A	#N/A	
302	Franchises	0	0	0	2.50%	0	0	0	0	0	0	0	#N/A	#N/A	
303	Land and Land Rights	27,412	0	27,412	NA	0	0	0	0	0	0.00%	0	0	0	
304	Structures and Improvements	68,986	0	68,986	3.70%	59,965	0	59,965	2,552	0	2,552	0	0	0	
305	Collecting and Impounding	0	0	0	2.00%	0	0	0	0	0	0.00%	0	0	0	
306	Lake River and Other Intakes	0	0	0	2.50%	0	0	0	0	0	0.00%	0	0	0	
307	Wells and Springs	41,707	0	41,707	3.70%	29,852	0	29,852	1,543	0	1,543	0	0	0	
308	Infiltration Galleries	0	0	0	2.50%	0	0	0	0	0	0.00%	0	0	0	
309	Supply Mains	1,040	0	1,040	3.13%	559	0	559	33	0	33	0	0	0	
310	Power Generation Equipment	9,706	0	9,706	5.88%	7,443	0	7,443	571	0	571	0	0	0	
311	Pumping Equipment	0	0	0	5.88%	0	0	0	-21	0	-21	0	0	0	
320	Water Treatment Plant	15,542	0	15,542	5.88%	660	0	660	914	0	914	0	0	0	
330	Distribution Reservoirs	32,416	0	32,416	3.03%	25,947	0	25,947	982	0	982	0	0	0	
331	Transmission and Distribution Mains	206,312	0	206,312	2.63%	123,413	0	123,413	5,429	0	5,429	13.00%	26,821	16,044	706
333	Services	58,563	0	58,563	2.86%	43,419	0	43,419	1,673	0	1,673	13.00%	7,613	5,644	218
334	Meter & Meter Installations	74,899	0	74,899	5.88%	65,943	0	65,943	4,376	0	4,376	0.00%	0	0	0
335	Hydrants	5,364	0	5,364	2.50%	3,543	0	3,543	134	0	134	0.00%	0	0	0
336	Backflow Prevention Devices	1,874	0	1,874	10.00%	1,870	0	1,870	187	0	187	0.00%	0	0	0
339	Other Plant & Miscellaneous Equipment	0	0	0	4.00%	0	0	0	0	0	0	0	0	0	
340	Office Furniture and Equipment	698	0	698	6.67%	462	0	462	47	0	47	0	0	0	
341	Transportation Equipment	0	0	0	16.67%	0	0	0	0	0	0	0	0	0	
342	Stores Equipment	0	0	0	5.56%	0	0	0	0	0	0	0	0	0	
343	Tools, Shop & Garage	0	0	0	6.67%	0	0	0	0	0	0	0	0	0	
344	Laboratory Equipment	0	0	0	6.67%	0	0	0	0	0	0	0	0	0	
345	Power Operated Equipment	0	0	0	8.33%	0	0	0	0	0	0	0	0	0	
346	Communication Equipment	9,131	0	9,131	10.00%	1,598	0	1,598	913	0	913	0	0	0	
347	Miscellaneous Equipment	726	0	726	6.67%	-1,877	0	-1,877	144	0	144	0	0	0	
348	Other Plant & Miscellaneous Equipment	0	0	0	10.00%	0	0	0	0	0	0	0	0	0	
	INTANGIBLE PLANT	\$471	\$0	\$471		\$188	\$0	\$188	\$12	\$0	\$12	0	\$0	\$0	
	SOURCE OF SUPPLY & PUMPING	148,851	0	148,851		97,819	0	97,819	4,678	0	4,678	0.00%	0	0	
	WATER TREATMENT PLANT	15,542	0	15,542		660	0	660	914	0	914	0.00%	0	0	
	TRANSMISSION & DISTRIBUTION	379,428	0	379,428		264,134	0	264,134	12,782	0	12,782	9.08%	34,434	21,688	923
	GENERAL PLANT	10,555	0	10,555		183	0	183	1,104	0	1,104	0	0	0	0
	TOTALS - WATER	\$554,847	\$0	\$554,847		\$362,984	\$0	\$362,984	\$19,490	\$0	\$19,490	6.21%	\$34,434	\$21,688	\$923

RATIO OF NON-USED & USEFUL PLANT **6.21%**

WASTEWATER UTILITY PLANT ACCOUNTS

ACCT. NO.	ACCOUNT NAME	Test Year Plant		Adjusted Balance	Depr Rates Per Rule	Test Year		Adjusted Balance	Depr Exp		Balance	NON-U/U %	NON-U/U Adj to Plant	NON-U/U Adj to Acc. Depr	NON-U/U Adj to Depr Exp
		Per Books	Adjustments			Acc Depr	Adjustments		Per Books	Adjustments					
351	Organization	400	0	400	2.50%	134	0	134	10	0	10	0.00%	0	0	0
352	Franchises	0	0	0	3.70%	0	0	0	0	0	0	0.00%	0	0	0
353	Land and Land Rights	36,000	0	36,000	NA	0	0	0	0	0	0	0.00%	0	0	0
354	Structures and Improvements	52,391	0	52,391	3.70%	41,669	0	41,669	1,940	0	1,940	0.00%	0	0	0
360	Collection Sewers - Force	11,557	0	11,557	3.70%	10,880	0	10,880	428	0	428	0.00%	0	0	0
361	Collection Sewers - Gravity	161,264	0	161,264	2.50%	94,316	0	94,316	4,032	0	4,032	0.00%	0	0	0
362	Special Collecting Structures	1,040	6,160	7,200	2.70%	482	83	565	28	166	195	0.00%	0	0	0
363	Services to Customers	111,860	0	111,860	2.86%	84,434	0	84,434	3,196	0	3,196	0.00%	0	0	0
364	Flow Measuring Devices	0	0	0	20.00%	0	0	0	0	0	0	0.00%	0	0	0
365	Flow Measuring Installation	0	0	0	2.86%	0	0	0	0	0	0	0.00%	0	0	0
366	Reuse Services	0	0	0	2.50%	0	0	0	0	0	0	0.00%	0	0	0
367	Reuse Meters and Meter Installations	0	0	0	5.00%	0	0	0	0	0	0	0.00%	0	0	0
370	Receiving Wells	0	0	0	3.33%	0	0	0	0	0	0	0.00%	0	0	0
371	Pumping Equipment	19,225	0	19,225	6.67%	2,978	0	2,978	1,282	0	1,282	0.00%	0	0	0
374	Reuse Distribution Reservoirs	0	0	0	2.70%	0	0	0	0	0	0	0.00%	0	0	0
375	Reuse Transmission and Distribution System	0	0	0	2.33%	0	0	0	0	0	0	0.00%	0	0	0
380	Treatment and Disposal Equipment	81,789	0	81,789	6.67%	75,844	0	75,844	5,453	0	5,453	41.00%	33,534	31,096	2,236
381	Plant Sewers	0	0	0	3.13%	0	0	0	0	0	0	0.00%	0	0	0
382	Outfall Sewer Lines	0	0	0	3.33%	0	0	0	0	0	0	0.00%	0	0	0
389	Other Plant & Miscellaneous Equipment	0	0	0	6.67%	0	0	0	0	0	0	0.00%	0	0	0
390	Office Furniture and Equipment	645	0	645	6.67%	266	0	266	43	0	43	0.00%	0	0	0
391	Transportation Equipment	0	0	0	6.67%	0	0	0	0	0	0	0.00%	0	0	0
392	Stores Equipment	0	0	0	5.56%	0	0	0	0	0	0	0.00%	0	0	0
393	Tools, Shop & Garage	947	0	947	6.67%	947	0	947	0	0	0	0.00%	0	0	0
394	Laboratory Equipment	0	0	0	6.67%	0	0	0	0	0	0	0.00%	0	0	0
395	Power Operated Equipment	0	0	0	8.33%	0	0	0	0	0	0	0.00%	0	0	0
396	Communication Equipment	0	0	0	10.00%	0	0	0	0	0	0	0.00%	0	0	0
397	Miscellaneous Equipment	0	0	0	6.67%	0	0	0	0	0	0	0.00%	0	0	0
398	Other Plant & Miscellaneous Equipment	0	0	0	10.00%	0	0	0	0	0	0	0.00%	0	0	0
	INTANGIBLE PLANT	\$400	\$0	\$400		\$134	\$0	\$134	\$10	\$0	\$10	0.00%	\$0	\$0	\$0
	COLLECTION PLANT	374,112	6,160	380,272		231,781	83	231,865	9,624	166	9,791	0.00%	0	0	0
	SYSTEM PUMPING PLANT	19,225	0	19,225		2,978	0	2,978	1,282	0	1,282	0.00%	0	0	0
	TREATMENT & DISPOSAL PLANT	81,789	0	81,789		75,844	0	75,844	5,453	0	5,453	41.00%	33,534	31,096	2,236
	GENERAL PLANT	1,592	0	1,592		1,213	0	1,213	43	0	43	0.00%	0	0	0
	TOTALS-WASTEWATER	\$477,119	\$6,160	\$483,279		\$311,950	\$83	\$312,034	\$16,411	\$166	\$16,578	6.94%	\$33,534	\$31,096	\$2,236

RATIO OF NON-USED & USEFUL PLANT **6.94%**

LP Waterworks, Inc.
O&M EXPENSES-WATER
 Test Year Ended 08/31/16

Docket No. 16XXXX-WS

ACCT NO.	ACCOUNT TITLE	UTILITY		ADJUSTED TEST YEAR
		ADJUSTED TEST YEAR	ADJUSTMENTS	
601	SALARIES AND WAGES - EMPLOYEES	\$0	\$0	\$0
603	SALARIES: OFFICERS, DIRECTORS, ETC.	6,120	0	6,120
604	EMPLOYEE PENSIONS AND BENEFITS	0	0	0
610	PURCHASED WATER	0	0	0
615	PURCHASED POWER	2,770	-596	2,174
616	FUEL FOR POWER PRODUCTION	0	0	0
618	CHEMICALS	650	-140	510
620	MATERIALS AND SUPPLIES	0	0	0
630	CONTRACTUAL SERVICES -PROFESSIONAL	0	0	0
632	CONTRACTUAL SERVICES - ACCT.	-638	638	0
633	CONTRACTUAL SERVICES - LEGAL	2,575	0	2,575
634	CONTRACTUAL SERVICES - MGMT. FEES	0	0	0
636	CONTRACTUAL SERVICES - OTHER	79,598	0	79,598
641	RENTAL OF BUILDING/REAL PROPERTY	220	0	220
642	RENTAL OF EQUIPMENT	0	0	0
650	TRANSPORTATION EXPENSES	0	0	0
656	INSURANCE-VEHICLE	0	0	0
657	INSURANCE-GENERAL LIABILITY	619	26	645
658	INSURANCE-WORKMAN'S COMP.	0	0	0
659	INSURANCE-OTHER	0	0	0
660	ADVERTISING EXPENSE	0	0	0
666	AMORT. OF RATE CASE EXPENSE	0	430	430
667	REGULATORY COMM. EXPENSES - OTHER	0	0	0
670	BAD DEBT EXPENSE	-408	408	0
675	MISCELLANEOUS EXPENSES	<u>1,306</u>	<u>0</u>	<u>1,306</u>
	TOTAL OPERATION AND MAINTENANCE	<u>\$92,812</u>	<u>\$766</u>	<u>\$93,578</u>

LP Waterworks, Inc.
O&M EXPENSES-WASTEWATER
 Test Year Ended 08/31/16

Docket No. 16XXXX-WS

ACCT NO.	ACCOUNT TITLE	UTILITY		ADJUSTED TEST YEAR
		ADJUSTED TEST YEAR	ADJUSTMENTS	
701	SALARIES AND WAGES - EMPLOYEES	\$0	\$0	\$0
703	SALARIES: OFFICERS, DIRECTORS, ETC.	5,880	0	5,880
704	EMPLOYEE PENSIONS AND BENEFITS	0	0	0
710	PURCHASED SEWAGE TREATMENT	0	0	0
711	SLUDGE REMOVAL EXPENSE	2,312	0	2,312
715	PURCHASED POWER	4,528	0	4,528
716	FUEL FOR POWER PRODUCTION	0	0	0
718	CHEMICALS	525	0	525
720	MATERIALS AND SUPPLIES	0	0	0
731	CONTRACTUAL SERVICES - ENGR.	0	0	0
732	CONTRACTUAL SERVICES - ACCT.	-613	613	0
733	CONTRACTUAL SERVICES - LEGAL	835	0	835
734	CONTRACTUAL SERVICES - MGMT. FEES	0	0	0
735	CONTRACTUAL SERVICES - TESTING	0	0	0
736	CONTRACTUAL SERVICES - OTHER	60,530	0	60,530
741	RENTAL OF BUILDING/REAL PROPERTY	0	0	0
742	RENTAL OF EQUIPMENT	0	0	0
750	TRANSPORTATION EXPENSES	0	0	0
756	INSURANCE - VEHICLE	0	0	0
757	INSURANCE - GENERAL LIABILITY	619	26	645
758	INSURANCE - WORKMAN'S COMPENSATIOI	0	0	0
759	INSURANCE - OTHER	0	0	0
760	ADVERTISING EXPENSE	0	0	0
766	AMORT. OF RATE CASE EXPENSE	0	430	430
767	REGULATORY COMM. EXPENSES - OTHER	0	0	0
770	BAD DEBT EXPENSE	156	0	156
775	MISCELLANEOUS EXPENSES	0	0	0
	TOTAL OPERATION AND MAINTENANCE	<u>\$74,773</u>	<u>\$1,069</u>	<u>\$75,841</u>

Analysis of Rate Case Expense

Florida Public Service Commission

LP Waterworks, Inc.
Docket No.
 Test Year Ended 08/31/16

Schedule: RCE
 Page: 1 of 1

Explanation: Provide the total amount of rate case expense requested in the application. State whether the total includes the amount up to proposed agency action or through a hearing before the Commission. Provide a breakdown of the total by persons assisting in the application, including the hours billed, the hourly rate, and a detailed list of services provided. Also provide the amortization and its allocation, including support behind this determination.

Line No.	(1) Firm or Vendor Name	(2) Counsel, Consultant or Witness	(3) Hourly Rate	(4) Total Est of Firm's Charges	(5) Type of Service Rendered	(6) Comments	(7) Hours
1	<u>Legal</u>						
2	N/A			0	Legal		
3	Sub-Total Legal			0			
4							
5							
6	<u>Other</u>						
7	Customer Notice - Customer Meeting	Rendell		\$ 470.40	Notices - printing & mailing	PSC Rule - past Commission practice	
8	Customer Notice - Final Rates	Rendell		\$ 470.40	Notices - printing & mailing	PSC Rule - past Commission practice	
9	Travel - Customer Meeting	Rendell, Derossett		\$ 250.00	Attend Customer Meeting	Customer Meeting - Lodging, Mileage & Meals	
10	Filing Fee	Rendell		\$ 2,000.00	Filing Fee	PSC Rule	
11	Travel - PAA Agenda	Rendell / Deremer		\$ 250.00	Attend PAA Agenda	PAA Agenda - Lodging, Mileage & Meals	
12	Sub-Total Other			3,441			
13	Total Estimate Through PAA [X] or Commission Hearing [3,441			
14	Allocation to this Rate Group:						
15							
16		Water	Water	Sewer	Sewer		
17	Allocated Total	50.00%	1,720	50.00%	1,720		
18	Amortization of Rate Case Expense:						
19	Amortization Period in Years:		4		4		
20	Amortization Amount per year		430		430		
21	Deferred Rate Case Expense (for CWC on A-3)						
22	=(Allocated Total less first year amortization)/2		645		645		
23							
24	Method of Allocation Between Systems (Provide Calculation):						
25	Note: Allocation is by # of customers of the systems in this rate case filing						

WATER	TEST YEAR	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	ADJUSTMENTS	ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
PERSONAL PROPERTY	\$2,782	\$0	\$2,782	\$0	\$2,782		\$2,782
PAYROLL	0	0	0	0	0		0
REGULATORY ASSESSMENT FEES	4,823	0	4,823	0	4,823	398	5,221
OTHER	0	0	0	0	0		0
TOTAL	\$7,606	\$0	\$7,606	\$0	\$7,606	\$398	\$8,003

Test Year RAF 4,823
 Utility Adj Rev 4823.23455
 Adjustment 0.11545

WASTEWATER	TEST YEAR	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	ADJUSTMENTS	ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
PERSONAL PROPERTY	\$4,399	\$0	\$4,399	\$0	\$4,399		\$4,399
PAYROLL	0	0	0	0	0		0
REGULATORY ASSESSMENT FEES	3,791	0	3,791	0	3,791	1,026	4,817
OTHER	0	0	0	0	0		0
TOTAL	\$8,190	\$0	\$8,190	\$0	\$8,190	\$1,026	\$9,217

Test Year RAF 3,791
 Utility Adj Rev 3790.81575
 Adjustment 0.00425

**Gallons of Water Pumped, Sold and Unaccounted For
In Thousands of Gallons**

Florida Public Service Commission

LP Waterworks, Inc.
Docket No. 16XXXX-WS
Test Year Ended 03/31/16

Schedule: F-1
Page: 1 of 1
Preparer: W T Rendell

Explanation: Provide a schedule of gallons of water pumped, sold and unaccounted for each month of the test year. The gallons pumped should match the flows shown on the monthly operating reports sent to DEP. The other uses may include plant use, flushing of hydrants and water and sewer lines, line breakages and fire flows. Provide all calculations to substantiate the other uses. If unaccounted for water is greater than 10%, provide an explanation as to the reasons why.

Line No.	Month	(1)	(2)	(3)	(4)	(5)	(6)
		Gallons Pumped	Gallons Purchased	Gallons Sold	Other Uses	Unaccounted For Water (1)+(2)-(3)-(4)	% Unaccounted For Water
1	Sep-15	1,361,994	0	429,000	716,100	216,894	15.9%
2	Oct-15	1,061,040	0	419,000	53,052	588,988	55.5%
3	Nov-15	1,225,222	0	907,000	125,564	192,658	15.7%
4	Dec-15	1,387,873	0	850,000	61,564	476,309	34.3%
5	Jan-16	2,061,896	0	1,097,000	129,600	835,296	40.5%
6	Feb-16	1,771,339	0	1,144,000	30,240	597,099	33.7%
7	Mar-16	1,838,857	0	1,134,000	30,240	674,617	36.7%
8	Apr-16	1,401,545	0	1,066,000	65,000	270,545	19.3%
9	May-16	1,410,338	0	966,000		444,338	31.5%
10	Jun-16	1,179,951	0	627,000	216,000	336,951	28.6%
11	Jul-16	744,197	0	513,000		231,197	31.1%
12	Aug-16	843,391	0	576,000		267,391	31.7%
13							
14	TOTAL	16,287,643	0	9,728,000	1,427,360	5,132,283	31.5%

**Gallons of Wastewater Treated & Unaccounted For
In Thousands of Gallons**

Florida Public Service Commission

**LP Waterworks, Inc.
Docket No. 16XXXX-WS
Test Year Ended 08/31/16**

Schedule: F-2
Page: 1 of 1
Preparer: W T Rendell

Explanation: Provide a schedule of gallons of wastewater treated by individual plant for each month of the historical test year. Flow data should match the monthly operating reports sent to DEP.

Line No.	Month	(1)	(2)	(3)	(4)	(5)	(6)
		STP#1	Individual Plant Flows (Name)	(Name)	(Name)	Total Plant Flows	Total Purch. Sewage Treatment
1	Sep-15	403,000				403,000	
2	Oct-15	481,000				481,000	
3	Nov-15	632,000				632,000	
4	Dec-15	722,000				722,000	
5	Jan-16	1,489,000				1,489,000	
6	Feb-16	1,336,000				1,336,000	
7	Mar-16	1,293,000				1,293,000	
8	Apr-16	909,000				909,000	
9	May-16	579,000				579,000	
10	Jun-16	609,000				609,000	
11	Jul-16	519,000				519,000	
12	Aug-16	317,000				317,000	
13	Total	9,289,000	0	0	0	9,289,000	0

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

The Woods Utility Company
 Docket No. 150XXX-WU
 Test Year Ended 08/31/16
 Water [X] or Sewer []

Schedule: E-1w REVISED 10/21/2015
 Page: 1 of 1
 Preparer: W T Rendell

Explanation: Provide a calculation of revenues at present and proposed rates using the billing analysis. Explain any differences between these revenues and booked revenues. If a rate change occurred during the test year, a revenue calculation must be made for each period.

Line No.	(1) Class/Meter Size	(2) Test Year Bills	(3) TY Cons in 1,000 gal.	(4) Prior Rates	(5) Test Year Revenue	(6) Adjusted Bills	(7) Adjusted Cons	(8) Rate Prior to Filing	(9) Revenue at Rate Prior	(10) ProForma Block Cons	(11) Repressed Block Cons	(12) Proposed Rate/W/Rpsr	(13) Revenue at Rpsn Rates
1	Residential												
2	5/8" X 3/4"	5,078		\$7.11	36,105	5,078		\$8.54	43,366			9.77	49,612
3	3/4"	-		\$10.67	0	0		\$12.82	0			14.65	0
4	1"	-		\$17.79	0	0		\$21.38	0			24.42	0
5	1-1/2"	0		\$35.57	0	0		\$42.74	0			48.84	0
6	2"	0		\$56.90	0	0		\$68.38	0			78.14	0
7	3"	0		\$113.81	0	0		\$136.77	0			156.28	0
8	4"	0		\$177.83	0	0		\$213.70	0			244.19	0
9	Gallonge Charge, per 1,000 gallons												
10	0 - 3,000 gal.		4,370	\$4.09	17,873	(6)	4,364	\$4.91	21,427	0	4,364	\$5.10	22,256
11	Over 3,000		2,593	\$6.00	15,558	(22)	2,571	\$7.21	18,537	(63)	2,508	\$7.64	19,160
12					0	0	0		0	0	0		0
13	Total Residential	5,078	6,963		69,536	5,078	6,935		83,330	(63)	6,872		91,029
14	Average Bill				13.69				16.41				17.93
15													
16	General Service												
17	5/8" X 3/4"	152	511	\$7.11	1,081	152		\$8.54	1,298			\$9.77	1,485
18	3/4"	0		\$10.67	0	0		\$12.82	0			\$14.65	0
19	1"	46	841	\$17.79	818	46		\$21.38	983			\$24.42	1,123
20	1-1/2"	24	55	\$35.57	854	24		\$42.74	1,026			\$48.84	1,172
21	2"	37	1,124	\$56.90	2,105	37		\$68.38	2,530			\$78.14	2,891
22	3"	0		\$113.81	0	0		\$136.77	0			\$156.28	0
23	4"	0		\$177.83	0	0		\$213.70	0			\$244.19	0
24	6"	0		\$355.65	0	0		\$427.40	0			\$488.39	0
25													
26	Gallonge		2,531	\$4.92	12,453		2,531	\$5.91	14,958	2,531	2,531	\$6.01	15,211
27	Total General Serv	259	2,531		17,311	259	2,531		20,796	2,531	2,531		21,883
28	Average Bill				66.84				80.29				84.49
29													
30	Irrigation												
31	5/8" X 3/4"	0		\$7.11	0	0	NA	\$8.54	0			9.77	0
32	Gallonge Charge, per 1,000 gallons												
33	0 - 3,000 gal.		0	4.09	0	0	0	\$4.91	0	0	0	5.10	0
34	Over 3,000		0	6.00	0	0	0	\$7.21	0	0	0	7.64	0
35													
36													
37	Total Irrigation	0	0		0	0	0		0	0	0		0
38	Average Bill				#REF!				#REF!				0.00
39													
40	Fire Protection												
41	2"	0	NA	\$0.00	0	0		\$3.56	0			6.51	0
42	3"	0	NA	\$0.00	0	0		\$5.70	0			13.02	0
43	4"	0	NA	\$0.00	0	0		\$11.40	0			20.35	0
44	6"	15	NA	\$0.00	0	0		\$17.81	267			40.70	611
45	8"	0	NA	\$0.00	0	0		\$35.62	0			65.12	0
46	10"	0	NA	\$0.00	0	0		\$0.00	0			93.61	0
47	Total Fire Protect	15	NA		0		NA		267	NA			611
48	Average Bill				-								
49													
50	Subtot Billd Rev	5,352	9,494		86,846	5,337	9,466		104,393	2,468	9,403		113,522
51	Unbilled Revenues				0				0				-
52	Guaranteed Revenues				0				0				0
53	Misc. Service Charge				2,668				2,668				2,668
54	Adjustments to Customers				0				0				0
55	Tot Billed Rev				89,514				107,061				116,190
56	Booked Revenue per GL				107,183				107,183				
57	Adjustments to Booked				0				0				0
58	Bkd Rev Adjstd				107,183				107,183				
59	Difference				17,669	19.7%			122	0.1%			

LP Waterworks, Inc.
 Water Monthly Service Rates
 Test Year Ended 08/31/16

Schedule No. 4-A
 Docket No. 16XXXX-WS

	Rates Prior to Filing	Utility Requested Final	4-year Rate Reduction
<u>Residential, General Service and Multi-Family</u>			
Base Facility Charge by Meter Size:			
5/8" x 3/4"	\$8.54	\$9.77	\$0.02
3/4"	\$12.82	\$14.65	\$0.03
1"	\$21.38	\$24.42	\$0.06
1-1/2"	\$42.74	\$48.84	\$0.11
2"	\$68.38	\$78.14	\$0.18
3"	\$136.77	\$156.28	\$0.36
4"	\$213.70	\$244.19	\$0.56
6"	\$427.40	\$488.39	\$1.12
Residential Gallonage Charge			
0 - 3,000 gal.	\$4.91	\$5.10	\$0.01
Over 3,000 gal.	\$7.21	\$7.64	\$0.02
General Service Gallonage Charge	\$5.91	\$6.01	\$0.01
<u>Private Fire Protection</u>			
Base Facility Charge by Meter Size:			
2"	\$5.70	\$6.51	\$0.01
3"	\$11.40	\$13.02	\$0.03
4"	\$17.81	\$20.35	\$0.05
6"	\$35.62	\$40.70	\$0.09
8"	\$0.00	\$65.12	\$0.15
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>			
3,000 Gallons	\$23.27	\$25.07	
5,000 Gallons	\$33.09	\$35.27	
10,000 Gallons	\$66.84	\$70.93	

LP Waterworks, Inc.
Wastewater Monthly Service Rates
Test Year Ended 08/31/16

SCHEDULE NO. 4-B
Docket No. 16XXXX-WS

	Rates Prior to Filing	Utility Requested Final	Four-year Rate Reduction
<u>Residential</u>			
Base Facility Charge All Meter Sizes:	\$12.27	\$13.50	\$0.03
Gallonge Charge - Per 1,000 gallons (8,000 gallon cap)	\$4.94	\$5.18	\$0.01
<u>General Service</u>			
Base Facility Charge by Meter Size:			
5/8" x 3/4"	\$12.27	\$13.50	\$0.03
3/4"	\$18.41	\$20.24	\$0.05
1"	\$30.68	\$33.74	\$0.08
1-1/2"	\$61.35	\$67.48	\$0.17
2"	\$98.16	\$107.97	\$0.27
3"	\$196.32	\$215.94	\$0.54
4"	\$306.75	\$337.40	\$0.84
6"	\$613.51	\$674.80	\$1.68
Gallonge Charge, per 1,000 Gallons	\$5.92	\$6.21	\$0.02
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>			
3,000 Gallons	\$27.09	\$29.03	
5,000 Gallons	\$36.97	\$39.38	
10,000 Gallons	\$41.91	\$44.56	
(Wastewater Gallonge Cap - 8,000 Gallons)			

O & M	Test Year Adjusted		BFC %	Usage %	BFC Amt	Usage Amt
601 SALARIES AND WAGES - EMF	-		50%	50%	-	-
603 SALARIES: OFFICERS, DIREC	6,120		50%	50%	3,060	3,060
604 EMPLOYEE PENSIONS AND B	-		50%	50%	-	-
610 PURCHASED WATER	-		0%	100%	-	-
615 PURCHASED POWER	2,174		0%	100%	-	2,174
616 FUEL FOR POWER PRODUCT	-		0%	100%	-	-
618 CHEMICALS	510		0%	100%	-	510
620 MATERIALS AND SUPPLIES	-		0%	100%	-	-
630 CONTRACTUAL SERVICES -PI	-		50%	50%	-	-
632 CONTRACTUAL SERVICES - A	-		50%	50%	-	-
633 CONTRACTUAL SERVICES - L	2,575		50%	50%	1,287	1,287
634 CONTRACTUAL SERVICES - M	-		50%	50%	-	-
636 CONTRACTUAL SERVICES - C	79,598		50%	50%	39,799	39,799
641 RENTAL OF BUILDING/REAL F	220		50%	50%	110	110
642 RENTAL OF EQUIPMENT	-		100%	0%	-	-
650 TRANSPORTATION EXPENSE	-		100%	0%	-	-
656 INSURANCE-VEHICLE	-		50%	50%	-	-
657 INSURANCE-GENERAL LIABIL	645		100%	0%	645	-
658 INSURANCE-WORKMAN'S CO	-		100%	0%	-	-
659 INSURANCE-OTHER	-		100%	0%	-	-
660 ADVERTISING EXPENSE	-		100%	0%	-	-
666 AMORT. OF RATE CASE EXI	430		50%	50%	215	215
667 REGULATORY COMM. EXPEN	-		50%	50%	-	-
670 BAD DEBT EXPENSE	(0)		50%	50%	(0)	(0)
675 MISCELLANEOUS EXPENSES	1,306		50%	50%	653	653
Total Water O&M	<u>93,578</u>	Summed			<u>45,769</u>	<u>47,809</u>
Depreciation & Amort						
403 Depreciation (Used & Useful)	18,566	B-13	100%	0%	18,566	-
Less: Amort of CIAC	(10,785)	B-13	100%	0%	(10,785)	-
Amort of Other	-	B-1	50%	50%	-	-
Total Depr & Amort	<u>7,782</u>				<u>7,782</u>	<u>0</u>
Taxes Other Than Income Tax						
RAF	5,221	B-15	53%	47%	2,761	2,460
Payroll	-	B-15	100%	0%	-	-
Property	2,782	B-15	100%	0%	2,782	-
Other	-	B-15	100%	0%	-	-
Total Taxes Other than ...	<u>8,003</u>				<u>5,544</u>	<u>2,460</u>
Income Tax						
Fed, State	-	B-1	53%	47%	-	-
Return On Investment						
	7,070	D-1	53%	47%	3,739	3,331
Total Revenue Requirement						
	<u>116,433</u>	B-1			<u>62,834</u>	<u>53,600</u>
Conservation Adjustment						
Less: Misc Revenue	(2,668)	E-2w	100%	0%	(2,668)	-
Total Revenue for Rate Setting, Calc'd						
	<u>113,765</u>		53%	47%	60,166	53,600
PSC override %BFC from Cover Sheet-->						
Total Revenue for Rate Setting Used Below						
	113,765		50%	50%	56,883	56,883

E Rate Design - Water

This section calculates the proposed rates

Class/Meter Size	Units	Factor	WghtdUnits	Chg/WgtUn	BFC	Expected
Total (Res, Gen Srvc, Irr)						
5/8" X 3/4"	5,230	1.00	5,230		9.77	51,097
3/4"	-	1.50	0		14.65	-
1"	46	2.50	115		24.42	1,123
1-1/2"	24	5.00	120		48.84	1,172
2"	37	8.00	296		78.14	2,891
3"	-	16.00	0		156.28	-
4"	-	25.00	0		244.19	-
6"	-	50.00	0		488.39	-
8"	-	80.00	0		781.42	-
10"	-	115.00	0		1,123.30	-
Fire Protection (= 1/12 of Commercial)		0.0833				
2"	-	0.67	0		6.51	-
3"	-	1.33	0		13.02	-
4"	-	2.08	0		20.35	-
6"	15	4.17	63		40.70	611
8"	-	6.67	0		65.12	-
10"	-	9.58	0		93.61	-
Total BFC	<u>5,352</u>		<u>5,824</u>	9.768		<u>56,894</u>

Calcs for **STANDALONE** rates w/o Repression, using **PROPOSED** rate block amounts

Gallonge charge					Usage Chg	Expected
Total Usage	9,466	1.00	9,466	6.009	6.01	56,891
Gen'l Srvc only	2,531	1.00			6.01	15,211
Remainder to be recovered from Residential						<u>41,671</u>

Residential Only					Usage Chg	Expected
Block 1	4,364	1.00	4,364		5.07	22,125
Block 2	2,571	1.50	3,857		7.60	19,540
Block 3	-	2.00	0		10.14	-
Irrigation						
Block 1	-	1.00	0		5.07	-
Block 2	-	1.50	0		7.60	-
Block 3	-	2.00	0		10.14	-
Block 4	-	2.00	0		10.14	-
Total Usage	<u>6,935</u>		<u>8,221</u>	5.069		<u>41,665</u>

<u>56,876</u>
113,771
<u>2,668</u>
<u>116,438</u>

LP Waterworks, Inc.
FACTORED ERCs & GALLONS - WASTEWATER
Test Year Ended 08/31/16

Docket No. 16XXXX-WS
REVISED 10/21/2015

METER SIZE	ERC	NUMBER OF BILLS	FACTORED ERCs	GALLONS (000s)
RESIDENTIAL				
ALL METER SIZES	1.0	4,454	4,454	7,508
GENERAL SERVICE & MULTI-FAMILY				
5/8"x3/4"	1.0	170	170	563
1"	2.5	6	15	18
1-1/2"	5.0	24	120	55
2"	8.0	0	0	0
3" COMPOUND	16.0	0	0	0
4" COMPOUND	25.0	0	0	0
6" COMPOUND	50.0	0	0	0
8" COMPOUND	80.0	0	0	0
10" COMPOUND	115.0	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL GENERAL SERVICE		<u>200</u>	<u>305</u>	<u>636</u>
TOTAL WASTEWATER		<u>4,654</u>	<u>4,759</u>	<u>8,144</u>

ALLOCATION OF REVENUE REQUIREMENT TO RATES - WASTEWATER

Test Year Ended 08/31/16

ACCT NO.	ACCOUNT TITLE	STAFF	EXPENSE		REVENUE	
		ADJUSTED O&M EXPENSES	BFC	GALLONAGE CHARGE	ALLOCATION \$ BFC	GALLONAGE CHARGE
701	SALARIES AND WAGES - EMPLOYEES	\$0	75.00%	25.00%	\$0	\$0
703	SALARIES: OFFICERS, DIRECTORS, ETC.	\$5,880	75.00%	25.00%	4,410	1,470
704	EMPLOYEE PENSIONS AND BENEFITS	\$0	75.00%	25.00%	0	0
710	PURCHASED SEWAGE TREATMENT	\$0	0.00%	100.00%	0	0
711	SLUDGE REMOVAL EXPENSE	\$2,312	0.00%	100.00%	0	2,312
715	PURCHASED POWER	\$4,528	0.00%	100.00%	0	4,528
716	FUEL FOR POWER PRODUCTION	\$0	0.00%	100.00%	0	0
718	CHEMICALS	\$525	0.00%	100.00%	0	525
720	MATERIALS AND SUPPLIES	\$0	50.00%	50.00%	0	0
731	CONTRACTUAL SERVICES - ENGR.	\$0	50.00%	50.00%	0	0
732	CONTRACTUAL SERVICES - ACCT.	\$0	50.00%	50.00%	0	0
733	CONTRACTUAL SERVICES - LEGAL	\$835	50.00%	50.00%	417	417
734	CONTRACTUAL SERVICES - MGMT. FEES	\$0	50.00%	50.00%	0	0
735	CONTRACTUAL SERVICES - TESTING	\$0	50.00%	50.00%	0	0
736	CONTRACTUAL SERVICES - OTHER	\$60,530	50.00%	50.00%	30,265	30,265
741	RENTAL OF BUILDING/REAL PROPERTY	\$0	100.00%	0.00%	0	0
742	RENTAL OF EQUIPMENT	\$0	100.00%	0.00%	0	0
750	TRANSPORTATION EXPENSES	\$0	75.00%	25.00%	0	0
756	INSURANCE - VEHICLE	\$0	100.00%	0.00%	0	0
757	INSURANCE - GENERAL LIABILITY	\$645	100.00%	0.00%	645	0
758	INSURANCE - WORKMAN'S COMPENSATI	\$0	100.00%	0.00%	0	0
759	INSURANCE - OTHER	\$0	100.00%	0.00%	0	0
760	ADVERTISING EXPENSE	\$0	100.00%	0.00%	0	0
766	AMORT. OF RATE CASE EXPENSE	\$430	100.00%	0.00%	430	0
767	REGULATORY COMM. EXPENSES - OTHE	\$0	100.00%	0.00%	0	0
770	BAD DEBT EXPENSE	\$156	50.00%	50.00%	78	78
775	MISCELLANEOUS EXPENSES	\$0	50.00%	50.00%	0	0
	TOTAL OPERATION AND MAINTENANCE	<u>\$75,841</u>			<u>\$36,246</u>	<u>\$39,595</u>
	DEPRECIATION EXPENSE (NET OF CIAC)	<u>\$11,075</u>	50.00%	50.00%	<u>\$5,537</u>	<u>\$5,537</u>
	AMORTIZATION (OTHER)	<u>\$0</u>	50.00%	50.00%	<u>\$0</u>	<u>\$0</u>
	TAXES OTHER THAN INCOME					
	PERSONAL PROPERTY	\$4,399	100.00%	0.00%	\$4,399	\$0
	PAYROLL	0	50.00%	50.00%	0	0
	REGULATORY ASSESSMENT FEES	4,817	50.00%	50.00%	2,409	2,409
	OTHER	0	50.00%	50.00%	0	0
	TOTAL TAXES OTHER	<u>\$9,217</u>			<u>\$6,808</u>	<u>\$2,409</u>
	INCOME TAX EXPENSE	<u>\$0</u>	0.00%	100.00%	<u>\$0</u>	<u>\$0</u>
	NET OPERATING INCOME	<u>\$10,913</u>	0.00%	100.00%	<u>\$0</u>	<u>\$10,913</u>
	TOTAL WW REVENUE REQUIREMENT	<u>\$107,045</u>			<u>\$48,591</u>	<u>\$58,455</u>
	(MAKE SURE THIS TIES TO ACCT SCHED.)					
	LESS: MISC. SERVICE CHARGES	\$0	100.00%	0.00%	0	0
	PLUS: OTHER ADJUSTMENTS	<u>\$0</u>	0.00%	100.00%	<u>0</u>	<u>0</u>
	REVENUE REQ FROM SERVICE RATES	<u>\$107,045</u>			<u>\$48,591</u>	<u>\$58,455</u>
	FACTORED ERCs (or weighted bills)	<u>4,759</u>		BFC/ERC	<u>\$10.21</u>	
	TOTAL GALLONS			Factor		
	Residential	7,508		7,508		
	General Service	<u>636</u>	1.2	<u>763.2</u>		
	Total Gallons	<u>8,144</u>		<u>8,271</u>		
	RESIDENTIAL GALLONAGE RATE					<u>\$7.07</u>
	GENERAL SERVICE GALLONAGE RATE					<u>\$8.48</u>
	TOTAL WW REVENUE REQUIREMENT	<u>\$107,045</u>	60.00%	40.00%	<u>\$64,227</u>	<u>\$42,818</u>
	(MAKE SURE THIS TIES TO ACCT SCHED.)					
	LESS: MISC. SERVICE CHARGES	\$0	100.00%	0.00%	0	0
	PLUS: OTHER ADJUSTMENTS	0	0.00%	100.00%	0	0
	REVENUE REQ FROM SERVICE RATES	<u>\$107,045</u>			<u>\$64,227</u>	<u>\$42,818</u>
	FACTORED ERCs (or weighted bills)	<u>4,759</u>		BFC/ERC	<u>\$13.50</u>	
	TOTAL GALLONS			Factor		
	Residential	7,508		7,508		
	General Service	<u>636</u>	1.2	<u>763.2</u>		
	Total Gallons	<u>8,144</u>		<u>8,271</u>		
	RESIDENTIAL GALLONAGE RATE					<u>\$5.18</u>
	GENERAL SERVICE GALLONAGE RATE					<u>\$6.21</u>

UTILITY NAME: LP WATERWORKS, INC.

YEAR OF REPORT DECEMBER 31, 2014

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ 2,466	\$ _____	\$ (1,995)	\$ 471
302	Franchises_____				-
303	Land and Land Rights_____	20,598	6,814		27,412
304	Structures and Improvements_____	66,907	1,015		67,922
305	Collecting and Impounding Reservoirs_____				-
306	Lake, River and Other Intakes_____				-
307	Wells and Springs_____	41,707			41,707
308	Infiltration Galleries and Tunnels_____				-
309	Supply Mains_____	1,040			1,040
310	Power Generation Equipment_____	9,706			9,706
311	Pumping Equipment_____				-
320	Water Treatment Equipment_____	704	15,291		15,995
330	Distribution Reservoirs and Standpipes_____	32,416			32,416
331	Transmission and Distribution Lines_____	206,312			206,312
333	Services_____	58,563	649		59,212
334	Meters and Meter Installations_____	72,695	4,612		77,307
335	Hydrants_____	5,364			5,364
336	Backflow Prevention Devices_____	1,874			1,874
339	Other Plant and Miscellaneous Equipment_____				-
340	Office Furniture and Equipment_____	698			698
341	Transportation Equipment_____				-
342	Stores Equipment_____				-
343	Tools, Shop and Garage Equipment_____				-
344	Laboratory Equipment_____				-
345	Power Operated Equipment_____		9,131		9,131
346	Communication Equipment_____		2,905		2,905
347	Miscellaneous Equipment_____				-
348	Other Tangible Plant_____				-
	Total Water Plant_____	\$ 521,050	\$ 40,417	\$ -	\$ 559,472

UTILITY NAME: LP WATERWORKS, INC.

YEAR OF REPORT DECEMBER 31,2015

*** REVISED ***

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization_____	\$ 471	\$ _____	_____	\$ 471
302	Franchises_____	-	_____	_____	-
303	Land and Land Rights_____	27,412	_____	_____	27,412
304	Structures and Improvements_____	67,922	4,253	(3,190)	68,985
305	Collecting and Impounding Reservoirs_____	-	_____	_____	-
306	Lake, River and Other Intakes_____	-	_____	_____	-
307	Wells and Springs_____	41,707	_____	_____	41,707
308	Infiltration Galleries and Tunnels_____	-	_____	_____	-
309	Supply Mains_____	1,040	_____	_____	1,040
310	Power Generation Equipment_____	9,706	_____	_____	9,706
311	Pumping Equipment_____	0	_____	_____	-
320	Water Treatment Equipment_____	15,995	571	(1,025)	15,541
330	Distribution Reservoirs and Standpipes_____	-	_____	_____	-
		32,416	_____	_____	32,416
331	Transmission and Distribution Lines_____	-	_____	_____	-
		206,312	_____	_____	206,312
333	Services_____	59,212	_____	(649)	58,563
334	Meters and Meter Installations_____	-	_____	_____	-
		77,307	138	(3,563)	73,882
335	Hydrants_____	5,364	_____	_____	5,364
336	Backflow Prevention Devices_____	1,874	_____	_____	1,874
339	Other Plant and Miscellaneous Equipment_____	-	_____	_____	-
340	Office Furniture and Equipment_____	-	_____	_____	-
		698	_____	_____	698
341	Transportation Equipment_____	-	_____	_____	-
342	Stores Equipment_____	-	_____	_____	-
343	Tools, Shop and Garage Equipment_____	-	_____	_____	-
344	Laboratory Equipment_____	-	_____	_____	-
345	Power Operated Equipment_____	-	_____	_____	-
346	Communication Equipment_____	9,131	_____	_____	9,131
347	Miscellaneous Equipment_____	2,905	_____	(2,179)	726
348	Other Tangible Plant_____	-	_____	_____	-
	Total Water Plant_____	\$ 559,472	\$ 4,962	\$ (10,606)	\$ 553,828

40,417
45,379

UTILITY NAME: LP WATERWORKS, INC.

YEAR OF REPORT DECEMBER 31, 2014

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ 346	\$ 54	\$ _____	\$ 400
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	36,000	_____	_____	36,000
354	Structures and Improvements_____	42,176	_____	_____	42,176
355	Power Generation Equipment_____	_____	_____	_____	_____
360	Collection Sewers - Force_____	11,557	_____	_____	11,557
361	Collection Sewers - Gravity_____	141,605	23,366	_____	164,971
362	Special Collecting Structures_____	1,040	_____	_____	1,040
363	Services to Customers_____	111,860	_____	_____	111,860
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	_____	_____	_____	_____
371	Pumping Equipment_____	981	17,496	_____	18,477
380	Treatment and Disposal Equipment_____	73,822	_____	_____	73,822
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
390	Office Furniture and Equipment_____	645	_____	_____	645
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	947	_____	_____	947
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	_____	_____	_____	_____
	Total Wastewater Plant_____	\$ 420,979	\$ 40,916	\$ _____	\$ 461,895 *

* This amount should tie to sheet F-5.

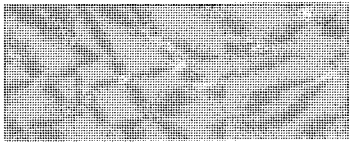
UTILITY NAME: LP WATERWORKS, INC.

YEAR OF REPORT DECEMBER 31,2015

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ 400	\$ _____	_____	\$ 400
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	36,000	_____	_____	36,000
354	Structures and Improvements_____	42,176	10,215	_____	52,391
355	Power Generation Equipment_____	_____	_____	_____	_____
360	Collection Sewers - Force_____	11,557	_____	_____	11,557
361	Collection Sewers - Gravity_____	164,971	_____	(3,707)	161,264
362	Special Collecting Structures_____	1,040	_____	_____	1,040
363	Services to Customers_____	111,860	_____	_____	111,860
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	_____	_____	_____	_____
371	Pumping Equipment_____	18,477	748	_____	19,225
380	Treatment and Disposal Equipment_____	73,822	18,155	(10,188)	81,789
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
390	Office Furniture and Equipment_____	645	_____	_____	645
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	947	_____	_____	947
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	_____	_____	_____	_____
	Total Wastewater Plant_____	\$ 461,895	\$ 29,118	\$ _____	\$ 477,118 *

40,916
70,034



Proposal / Quotation

710 S Milwee Street, Longwood, FL 32750

Tel : 407-339-7134 Fax :

407-339-6618

Date: 7/12/16

Reference: 16179

Altair Environmental Group, LLC (Altair) is pleased to confirm the following proposal / quotation wholly subject to their **Standard Terms & Conditions of Business** as attached :

Client:	U.S. Water Services Corporation 4939 Cross Bayou Blvd. New Port Richey, Fl 34652	Mr. Chris Berish 727-848-8292 cberish@uswatercorp.net
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Project:	Camp Florida; Lake Placid, Florida
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Services:	Sanitary Sewer Manhole Rehabilitation by Chemical Grout Injection
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Price:	Labor/Equipment: \$375.00 per hour, portal to portal, minimum 8 hours Chemical Grout: \$15.00 per gallon, minimum 60 gallons Project Estimate: Labor/Equipment: \$375.00 x 10 hours.....\$3750.00 Chemical Grout: 60 gallons x \$15.00 per gallon.....\$900.00 <p style="text-align: right;">Project Estimate \$4650.00</p>
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Special Conditions	
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Client Responsibilities (at no cost to Altair):

Local facilities or dumpsite for disposal of removed debris / waste material.
Water supply from nearest fire hydrant.

Site area for storage of equipment.
Traffic control beyond traffic cones and permits where applicable.
Exposure of all manholes and access to all work areas without delay.

Payment terms are to be within 15 days of invoice date, invoices will be submitted upon work completion or minimum monthly.

Submitted by: Don Layton/Estimator
(Title)

Signature on behalf of
Altair Environmental Group, LLC

Accepted by: _____
Print Name / Title

Signature on behalf of Client

ALTAIR ENVIRONMENTAL GROUP, LLC

STANDARD TERMS & CONDITIONS OF BUSINESS

COMPANY: Altair Environmental Group, LLC, a Florida Limited Liability Company, whose address is 710 S Milwee Street, Longwood, Florida 32750 (hereinafter referred to as "ALTAIR")

CLIENT: Any corporation, company, organization, agent or individual entering into a written agreement with ALTAIR for the provision of services or materials or any other business dealing, for which payment is agreed with or becomes due and payable to ALTAIR. (hereinafter referred to as "Client")

PROPOSALS & QUOTATIONS: All proposals or quotations provided by ALTAIR must be in writing and signed by an authorized representative of the company to be valid and any such proposal or quotation is valid for acceptance within 30 days of the respective submission date, unless agreed otherwise in writing.

PAYMENT TERMS: Payment of all invoices is due within 15 days from the invoice date, unless terms are agreed otherwise, in writing from ALTAIR. Invoices will be raised weekly based on completed work and at ALTAIR'S discretion. Any dispute or query regarding the invoiced amount must be communicated in writing within 10 days (objection period) from the invoice date and Client will be deemed to have accepted the invoice as delivered and all services / work standards relating thereto, unless objected to in writing within the objection period.

REMEDIES FOR NON PAYMENT: All sums not paid when due will bear interest at the rate of 1.5% per month from due date until paid or the maximum legal rate permitted by law, whichever is less. In the event of legal action being deemed necessary to enforce payment, ALTAIR shall be entitled to all costs of collection, including a reasonable attorney's fee. In addition, if the Client fails to make payment to ALTAIR as herein provided, then ALTAIR may stop work without prejudice to any other remedy it may have. The parties further agree that in the event of any controversy arising between them, then in such event, the State Courts of Seminole County, Florida, shall be the forum in which the parties agree to try and have heard any matters of litigation arising out of such controversies.

WARRANTIES: All workmanship and materials are guaranteed against defects in workmanship for a period of one year from the date of substantial completion of the project. This warranty is in lieu of all other warranties, expressed or implied, including any warranties of merchantability or fitness for a particular purpose. ALTAIR will not be responsible for damage to its work by other parties or normal wear and tear. Any repair work necessitated by caused damage will be considered as an order for extra work.

INDEPENDENT CONTRACTOR: Both ALTAIR and the Client agree that ALTAIR will act as an independent contractor in the performance of its duties under this contract. Accordingly, ALTAIR shall be responsible for payment of all taxes, including Federal, State, and local taxes arising out of ALTAIR'S activities, including by way of illustration but not limitation, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, and any other taxes.

UNFORESEEN OCCURENCES: In the event that any unforeseen occurrences or conditions are encountered after the work has commenced and which ALTAIR judge, at their sole discretion, to significantly effect or may effect the services, the risk involved in providing the services or there being a material change to the proposed or quoted scope of services, ALTAIR may a) immediately cease work without liability to the client, or b) renegotiate with client to change the scope of work with price adjustment or change order, or c) Apply downtime / hourly or day rates until occurrence or condition is resolved to the satisfaction of ALTAIR.

DOWNTIME/STOPPAGES/ADDITIONAL WORK: In the event that ALTAIR is unable to work or encounter stoppages due to circumstances beyond their control or unforeseen circumstances or occurrences, particularly any underground structure problems causing delay or stoppage of work or in the event of any work being required beyond the quoted scope of work, then an hourly or daily rate will be charged, subject to prior client notification in writing from ALTAIR.

PROJECT ESTIMATES: ALTAIR may from time to time provide written estimates of projected timescale or hours for a particular project at client's request, however, this in no way binds ALTAIR to a final timescale for the services to be provided. The actual hours will be determined by specific site requirements and operational demands, which cannot be wholly determined due to the nature of the services provided by ALTAIR.

CLIENT SERVICE ORDERS: In the event that the Client chooses to issue a service order, whether verbal or in writing, such service order shall be governed by ALTAIR'S Standard Terms & Conditions of Business as detailed herein and any such client agreement cannot change the Payment Terms under any circumstances unless specifically agreed to in writing from ALTAIR and such agreement being authorized and signed by the owner or director of ALTAIR. In the event of any inconsistency between the ALTAIR terms and conditions as detailed herein and the terms of a service order, the ALTAIR terms and conditions shall prevail. In any event, settlement of all ALTAIR correctly submitted invoices must be made within 30 days from invoice date, irrespective of client having received payment from their respective client.

CONTRACT ACCEPTANCE: In the event that the Client fails to sign acceptance of an ALTAIR proposal or quotation, due to oversight by either or both parties or any other reason and the services are commenced or completed on the Clients written or verbal instruction due to emergency, urgency or some

other reason, then these terms and conditions will be deemed to have been accepted by the Client as if such proposal or quotation had been signed.

CLIENT RESPONSIBILITIES: The Client will normally provide the following services, at no cost to ALTAIR for the duration of the project, unless agreed otherwise in writing by ALTAIR, a) Approved dumpsite and disposal for all materials to be removed from site of work, b) Access to site of work for ALTAIR personnel and equipment, without delay, c) All temporary site facilities including suitable storage space for equipment, d) Any special permits and/or licenses, without delay, e) Supply and access to all water required for the project from the nearest fire Hydrant, f) Work areas prepared and accessible, without delay, to enable the services to be provided, g) Authorized representative of the Client at the site of work, at all times services are being performed and with authority to accept the services as completed and / or hours worked and h) Location and exposure of all manholes in the project area.