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STATE OF FLORIDA



DIVISION OF  
ACCOUNTING AND FINANCE  
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# Public Service Commission

December 7, 2016

## STAFF'S SECOND DATA REQUEST

Mr. John L. Wharton  
Dean Law Firm  
215 South Monroe Street, Suite 815  
Tallahassee, FL 32301

**Re: Docket No. 130105-WS, Application for certificates to provide water and wastewater services in Hendry and Collier Counties, by Consolidated Services of Hendry & Collier, LLC**

Dear Mr. Wharton:

The following items relate to the Utility's response to staff's first data request, items 1 and 2, regarding its proposed capital structure.

- 1) What was the basis for projecting equity?
- 2) Please identify and provide support for the referenced rate studies used to calculate the debt projection found in Exhibit F of the Rate Study.

The following items relate to the Utility's response to staff's first data request, item 3.

- 3) The Utility stated that the O&M expenses have been revised and are based upon the assumptions accepted by staff in Docket No. 090459-WS. Please explain the Utility's basis for using Bluefield to project O&M and provide the characteristics of Consolidated Services that make this a suitable comparison.
- 4) The Utility also stated that the O&M expenses were adjusted for differences in the compactness of the subject Utility. Please explain what differences were taken into consideration for the compactness of the subject Utility.
- 5) Please provide the basis for the rate of \$30.00/hour for salary expense.
- 6) For purchased power expense, please provide the basis for the per ERC amounts of \$77/ERC for water and \$60/ERC for wastewater.

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- 7) Please provide the basis for the contractual services expense and list the services included for this expense and the associated amount for each service.
- 8) Please provide the basis for each of the following O&M expenses:

Chemicals expense  
Transportation expense  
Insurance expense  
Maintenance expense

Please submit this information to the Office of Commission Clerk by December 17, 2016. If you have any questions, please contact Amber Norris by phone at (850) 413-6984 or by email at [amnorris@psc.state.fl.us](mailto:amnorris@psc.state.fl.us).

Sincerely,



Amber Mitchell Norris  
Public Utilities Supervisor

cc: Division of Accounting and Finance (Maurey, Bulecza-Banks, Fletcher, Galloway, Swards)  
Division of Engineering (Watts, Graves, King)  
Office of the General Counsel (Janjic)  
✓ Office of Commission Clerk (Docket No. 130105-WS)  
Office of Public Counsel