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STATE OF FLORIDA



DIVISION OF
ACCOUNTING AND FINANCE
ANDREW L. MAUREY
DIRECTOR
(850) 413-6900

Public Service Commission

January 25, 2017

RECEIVED-FPSC
21 JAN 30 AM 8:27
COMMISSION CLERK

Mr. Troy Rendell
U.S. Water Corporation
4939 Cross Bayou Blvd.
New Port Richey, FL 34652

**STAFF'S 2nd DATA REQUEST
VIA EMAIL & US MAIL**

Re: Docket No. 160222 - WS – Application of LP Waterworks, Inc. for Staff Assisted Rate Case in Highlands County for increase water and wastewater rates

Dear Mr. Rendell:

The above-reference application has been reviewed by our staff. Please submit the following information to the Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, by February 15, 2017, for the period of September 1, 2015, through August 31, 2016, (test year), unless another time period is specified.

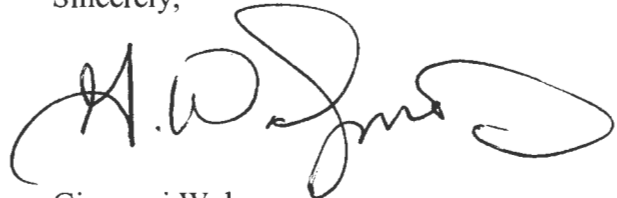
1. Please explain why the utility collected a charge of \$22.00 for a normal reconnection charge when its approved normal reconnection charge is \$15.00 per staff's audit Finding #4.
2. Please explain why the utility collected NSF charges that were not approved by the Commission per staff's audit Finding #4.
3. Does LP Waterworks, Inc. plan to file a tariff revision with the Commission to include NFS charges?
4. Do the current miscellaneous service charges in place for the utility recover all costs associated with processing and administering each applicable charge? If not, please provide the necessary cost justification pursuant to Section 367.091(b), Florida Statutes (F.S.).

5. Please provide utility related electric bills for January 2017, which includes meter number and location, kilowatts used, dollar paid, and the electric company's account number, showing the effect of the rate increase that became effective January 1, 2017 for LP Waterworks, Inc. per your request of consideration in *Re: Re: Docket No. 160222-WS - Application for Staff Assisted Rate Case (SARC) in Highlands County by LP Waterworks, Inc. - Pro Forma Purchase Power Adjustment.*

6. In your response to Audit Report 16-320-4-1, you attached six invoices summing up to \$1,407, that are allocated to Accounts 633/733-Legal Fees. Some of these fees were classified as nonrecurring expenses in the staff's audit Finding #5, however you disagreed. Staff needs further clarification on this matter. Please fill the empty boxes of the attached worksheet and provide any supporting documents in order to properly classify these expenses as recurring or nonrecurring.

If you have any questions or concerns, please contact me by phone at (850) 413-6838 or by email gwolmers@psc.state.fl.us

Sincerely,



Giovanni Wolmers
Finance and Tax Analyst I
Bureau of Finance, Tax, and Cost Recovery
Division of Accounting and Finance

GW

Attachment 1

cc: Office of Commission Clerk (Docket No. 160222-WS)

Attachment 1

| LP Waterworks, Inc.'s Response to Audit Report 16-320-4-1 | | | | | | |
|---|--------------------|----------|---------------------|-----------------------|--|--|
| Legal Fee | | | | | | |
| Invoice Date | Utility's Accounts | Amount | Company | Frequency of Service: | Should the Expense be Classified as Recurring or Nonrecurring: | Provide a Detailed Description of why the Service should be Classified as a Recurring Expense: |
| 8/10/2016 | 633 | \$46.50 | Hill Ward Henderson | | | |
| 6/13/2016 | 633 | \$139.50 | Hill Ward Henderson | | | |
| 5/10/2016 | 633/733 | \$227.50 | Hill Ward Henderson | | | |
| 3/14/2016 | 633/733 | \$300.00 | Hill Ward Henderson | | | |
| 3/14/2016 | 633/733 | \$269.50 | Hill Ward Henderson | | | |
| 12/10/2015 | 633/733 | \$424.00 | Hill Ward Henderson | | | |

SR
12/16

MISCELLANEOUS CHARGES

| Sum of Amount | Column Labels | LPWW - Late | LPWW - Reconnect | LPWW - Returned | Grand Total |
|---------------|----------------|-------------|------------------|-----------------|-------------|
| Row Labels | Lake Placid CC | Charge | Fee | Check Fee | |
| Grand Total | \$ 699.40 | \$ 2,290.00 | \$ (A) 44.00 | \$ 25.00 | \$ 3,058.40 |
| Per G/L | \$ 618.80 | \$ 1,950.00 | \$ 44.00 | \$ 55.00 | \$ 2,667.80 |
| Difference | \$ 80.60 | \$ 340.00 | \$ - | \$ (30.00) | \$ 390.60 |

41-2

(A) The Utility charged \$22 instead of \$15 as stated in the tariff for the connection fee.

H/P-2

70
11/17

MISCELLANEOUS CHARGES

| Sum of Amount | Column Labels | LPWW - Late | LPWW - Reconnect | LPWW - Returned | Grand Total |
|--------------------------|-------------------------------|--------------------|------------------|-------------------|--------------------|
| Row Labels | Lake Placid CC Processing Fee | Charge | Fee | Check Fee | |
| 01/11/2016 | \$ 39.00 | \$ 200.00 | | | \$ 239.00 |
| 01/18/2016 | \$ 10.40 | \$ 20.00 | | | \$ 30.40 |
| 02/10/2016 | \$ 54.60 | \$ 360.00 | | | \$ 414.60 |
| 02/19/2016 | \$ 2.60 | | | | \$ 2.60 |
| 03/11/2016 | \$ 26.00 | \$ 130.00 | | | \$ 156.00 |
| 03/15/2016 | \$ 33.80 | \$ (15.00) | | | \$ 18.80 |
| 04/11/2016 | \$ 59.80 | \$ 160.00 | \$ 22.00 | | \$ 241.80 |
| 05/09/2016 | \$ 41.60 | \$ 170.00 | | | \$ 211.60 |
| 06/06/2016 | \$ 2.60 | | | | \$ 2.60 |
| 06/10/2016 | \$ 46.80 | \$ 120.00 | | | \$ 166.80 |
| 06/24/2016 | \$ 5.20 | | | | \$ 5.20 |
| 07/08/2015 | \$ 20.80 | \$ 145.00 | | | \$ 165.80 |
| 07/08/2016 | \$ 57.20 | \$ 115.00 | | | \$ 172.20 |
| 07/11/2016 | | \$ 15.00 | | | \$ 15.00 |
| 08/09/2016 | \$ 41.60 | \$ 115.00 | | \$ 25.00 | \$ 181.60 |
| 08/10/2016 | | \$ 10.00 | | | \$ 10.00 |
| 08/11/2015 | \$ 49.40 | \$ 95.00 | | | \$ 144.40 |
| 08/12/2015 | \$ 10.40 | | | | \$ 10.40 |
| 08/15/2016 | \$ 2.60 | | | | \$ 2.60 |
| 09/08/2015 | \$ 39.00 | \$ 160.00 | | | \$ 199.00 |
| 09/15/2015 | \$ 2.60 | \$ 5.00 | | | \$ 7.60 |
| 10/08/2015 | \$ 52.00 | \$ 115.00 | \$ 22.00 | | \$ 189.00 |
| 11/06/2015 | \$ 52.00 | \$ 140.00 | | | \$ 192.00 |
| 11/25/2015 | | \$ 5.00 | | | \$ 5.00 |
| 12/09/2015 | \$ 2.60 | | | | \$ 2.60 |
| 12/11/2015 | \$ 33.80 | \$ 210.00 | | | \$ 243.80 |
| 12/24/2015 | \$ 13.00 | \$ 15.00 | | | \$ 28.00 |
| Grand Total | \$ 699.40 | \$ 2,290.00 | \$ 44.00 | \$ 25.00 | \$ 3,058.40 |
| Per G/L | \$ 618.80 | \$ 1,950.00 | \$ 44.00 | \$ 55.00 | \$ 2,667.80 |
| Difference | \$ 80.60 | \$ 340.00 | | \$ (30.00) | \$ 390.60 |
| Rate (Per Tariff) | \$ 2.60 | \$ 5.00 | \$ 15.00 | (A) | |
| No. of Customers | 269 | 458 | 2 | 2 | |
| DR #10 | | | | | |

(A) The Tariff does not specify the Returned Check Fee

① \$1950.15
 = 390
 No. of Gate Fee

② Per Tariff the Connection Fee is \$15.

41-2

SOURCE: AS REFERENCED

| WATER TEST YEAR REVENUES | |
|---|----------------------------|
| LP WATERWORKS, INC DOCKET NO. 160222-WS TEST YEAR ENDING 8/31/2016 | FORM 1 |
| MISCELLANEOUS SERVICE CHARGES | Misc Fees Per Audit |
| Initial Connection | * \$30 |
| Normal Reconnect | \$0 |
| Violation Reconnect | \$0 |
| Premises Visit | \$0 |
| Returned Check Charges | \$25 |
| Meter Installation Charges | \$0 |
| Online Payment Charges | \$699 |
| Misc. Charges | \$0 |
| Late Fee Charges | \$2,290 |
| Penalties | \$0 |
| Accruals | \$0 |
| TOTAL MISCELLANEOUS SERVICE FEE REVENUES | \$3,044 |
| GENERAL LEDGER MSR REVENUE TOTAL | \$2,668 |
| ADJUSTMENT | \$377 |
| TOTAL TEST YEAR REVENUES (SERVICE and MSR) | \$107,105 |

LP Waterworks, Inc.
Staff Assistant Rate Case
Dkt# 1160222-WS, ACN 16-320-1-1

* The Billing Report - GL recorded as \$22 instead of \$15.

48-389

12/19