

LAKESIDE WATERWORKS, INC.

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FPSC - COMMISSION CLERK

March 16, 2017

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

Re: Docket No. 160195-WS - Application for Staff Assisted Rate Case (SARC) in Lake County by Lakeside Waterworks, Inc. – Response to Staff’s Inquiry

Dear Commission Clerk,

Please find attached Lakeside Waterworks, Inc.’s (Lakeside) response to Staff’s inquiry in the above referenced docket.

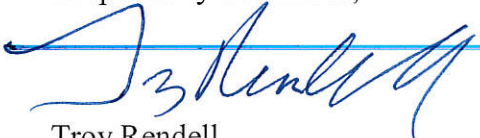
Response: In the previous rate cases (Jumper Creek, HC Waterworks, & Brevard Waterworks), the amount of vehicle fuel approved was for actual fuel used in 2014. The monthly amount approved was \$478.79/monthly or \$5,745.44/annual. The actual fuel costs for 2016 for this vehicle was \$6,0832.83/annual or \$506.99/month.

For the maintenance, the actual amount approved in 2014 was \$100.33/month or \$1,203.96/annual. The actual maintenance cost for 2016 for this vehicle was \$1,829.88/annual or \$152.49/monthly.

Utilizing the actual costs for 2016 and removing the overtime component reduces the contracted amount by \$491 for water and \$491 for wastewater.

However, Lakeside does not believe this adjustment is appropriate. The contact was first calculated in 2013 and did not include the actual costs for administrative services and operations. The amounts approved in the last SARC were \$38,197 for water and \$35,730 for wastewater. The actual costs for these operation and maintenance contacts are \$43,365.19 for water and \$36,123.37 which are above the current amounts being charged. These contracted amounts are currently under review and it is anticipated that the contracts will be revised by April 1, 2017 to reflect the actual costs incurred. This utility has been receiving a subsidy for the past four years.

Respectfully Submitted,



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