

PINE HARBOUR WATERWORKS, INC.

FILED 1/22/2018
DOCUMENT NO. 00515-2018
FPSC - COMMISSION CLERK

January 12, 2018

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2018 JAN 22 AM 8:16
COMMISSION CLERK

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

Re: Application for Staff Assisted Rate Case (SARC) in Lake County by Pine Harbour Waterworks, Inc.

Dear Commission Clerk,

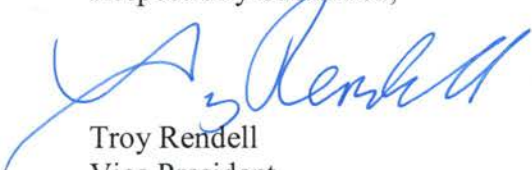
Pine Harbour Waterworks, Inc. (Pine Harbour or Utility) submits its application for a staff assisted rate case (SARC) in Lake County. In support of its application, Pine Harbour submits the following information.

Need for Rate Relief

Pine Harbour's rates and charges were last approved in an original certificate case in 1986 in Order No. 16936, issued December 6, 1986, in Docket No. 850417-WU. The utility has never had a SARC.

Pine Harbour is requesting the Commission establish compensatory rates so as the utility can earn a fair rate of return.

Respectfully Submitted,



Troy Rendell
Vice President
Investor Owned Utilities
//For Pine Harbour Waterworks, Inc.

- COM _____
- AFD _____
- APA _____
- ECO _____
- ENG _____
- GCL _____
- IDM _____
- CLK _____

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

Water

Permitted Capacity: 60,480 gallons
350 gpd per ERC: 350 gpd
Number of ERCs 172.8 ERCs

Filing Fee: \$500

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR A STAFF ASSISTED RATE CASE

I. GENERAL DATA

A

Name of Utility: **Pine Harbour Waterworks, Inc.**

B

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

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

2. County: **Lake**

Nearest City: **Leesburg, FL**

3. General Area Served: **Pine Harbour**

C

Authority: **See Order No. PSC-17-0043-PAA-WU, issued February 2, 2017**

1. Water Certificate No. **450-W**

Date Received: **February 2, 2017**

2. Wastewater Certificate No. **N/A**

Date Received: **N/A**

3. Date Utility Started Operations: Water: **1986**

Wastewater: **N/A**

D

How System Was Acquired: **Purchased from Pine Harbour Water Utilities, LLC**

If utility was purchased, give date **June 29, 2016**

Amount Paid \$ **\$34,000**

1. Name of Seller: **Pine Harbour Water Utilities, LLC**

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>59%</u>
2.	<u>Cecil Delcher</u>	<u>Vice-President</u>	<u>33%</u>
3.	<u>Victoria Penick</u>	<u></u>	<u>8%</u>
4.	<u></u>	<u></u>	<u></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: **Larry Schalles**
2. Firm: **Schalles and Associates**
3. Address: **5320 Main St., New Port Richey, FL 34652**
4. Telephone: **(727) 847-2277**

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: **2016**

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>12/31/2016</u>	<u>Proposed</u> <u>Test Year</u> <u>11/30/2017</u>
1. <u>Water:</u>		
Cost of Plant In Service	\$ 98,463	\$98,021
Less Accumulated Depreciation	(68,847)	(70,740)
Less Contributed Plant	(62,440)	(62,440)
Plus Accumulated Amortization – CIAC	56,904	57,026
Net Owner's Investment	\$ 24,080	\$21,867

	<u>Year Ending</u> <u>12/31/2016</u>	<u>Proposed</u> <u>Test Year</u> <u>11/30/2017</u>
2. <u>Wastewater:</u>		
Cost of Plant In Service	N/A	N/A
Less Accumulated Depreciation		
Less Contributed Plant		
Plus Accumulated Amotrization - CIAC		
Net Owner's Investment	\$	

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

	<u>6 Months</u> <u>Ending</u> <u>12/31/2016</u>	<u>Proposed</u> <u>Test Year</u> <u>11/30/2017</u>
1. <u>Water:</u>		
Revenues (By Class)		
a. Residential	\$ 12,414	\$ 22,484.86
b. Commercial	0	0
c. Other	254	888.40
Total Operating Revenues:	\$ 12,668	\$ 23,373.26
Less Expenses:		
a. Salaries & Wages - Employees	0	0
b. Salaries & Wages - Officers, Directors, & Majority Stockholders	1,550	3,200.04
c. Employee Pensions & Benefits	0	0
d. Purchased Water	0	0
e. Purchased Power	565	944.58
f. Fuel for Power Production	0	0
g. Chemicals	430	586.30
h. Contractual Services – Customer Service	0	0
i. Contractual Services - Professional	6,958	16,527.01
j. Contractual Services - Legal	0	1,045.00
k. Contractual Services – Accounting	0	350.00
l. Materials and Supplies	0	0
m. Rental of Real Estate	0	0
n. Office Supplies	0	0
o. Insurance Expense	463	1,111.92
p. Regulatory Commission Expense	860	0
q. Bad Debt Expense	0	155.57
r. Miscellaneous Expense	1,684	116.01

s.	Depreciation Expense	984	2,089.13
t.	CIAC Amortization Expense	(21)	-132.44
u.	Property Taxes	286	468.95
v.	Other Taxes - RAFs	570	1,051.79
w.	Income Taxes	0	0
	Operating Income (Loss)	(1,661)	(\$4,140.60)
		<u>Year Ending</u>	<u>Proposed</u>
		<u>12/31/2016</u>	<u>Test Year</u>
2.	<u>Wastewater</u>		
	Revenues (By Class):	\$	\$
a.	Residential	N/A	N/A
b.	Commercial		
c.			
	Total Operating Revenues:	\$	\$
	Less Expenses:		
a.	Salaries & Wages - Employees		
b.	Salaries & Wages - Officers, Directors, & Majority Stockholders		
c.	Employee Pensions & Benefits		
d.	Purchased Wastewater Treatment		
e.	Sludge Removal Expense		
f.	Purchased Power		
g.	Fuel for Power Production		
h.	Chemicals		
i.	Materials & Supplies		
j.	Contractual Services - Professional		
k.	Contractual Services - Accounting		
	Contractual Services - Legal		
	Rents		
	Insurance Expense		
l.	Regulatory Commission Expense		
m.	Bad Debt Expense		
n.	Miscellaneous Expense		
o.	Depreciation Expense		
p.	Amortization CIAC		
q.	Property Taxes		
r.	Other Taxes		
s.	Income Taxes		
	Operating Income (Loss)		

____ H. Outstanding Debt:

	Creditor	Date Borrowed	Balance Due	Interest Rate	Expiration Date
1.	N/A				
2.					
3.					
4.					

I. Indicate Type of Tax Return Filed:

- 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: **N/A**

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: **N/A**
 - b. Under Construction: **N/A**
 - c. Proposed: **N/A**
- 2. Type and make of present treatment facilities: **N/A**

3. Approximate average daily flow of treatment plant effluent:

4. Approximate length of wastewater mains:

Size (diameter):					
Linear feet:					

5. Number of manholes:

6. Number of lift stations:

7. How do you measure treatment plant effluent?

8. Is the treatment plant effluent chlorinated? Yes No

If yes, what is the normal dosage rate?

9. Tap in fees – Wastewater: \$ 0

10. Service availability fees – Wastewater: \$

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

Number Expiration Date:

12. Total gallons treated during most recent twelve months:

13. Wastewater treatment purchased during most recent twelve months:

H. Water: PWS ID No. 3354644

1. Gallons per day capacity of treatment facilities:

a. Existing: **16,164** b. Under Construction : **n/a** c. Proposed: **n/a**

2. Type of treatment: **Disinfection and Aeration**

3. Approximate average daily flow of treated water: **13,867 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: 1

Total capacity in gallons per minute (gpm): gpm

Diameter/Depth:	6" / 250		
Motor horsepower:	25		
Pump capacity (gpm):	300		

7. Reservoirs and/or hydropneumatic tanks:

Description:	Hydro Pneumatic	Ground	
Capacity:	6,000	10,000	

8. High service pumping:

Motor horsepower:	15	7.5		
Pump capacity (gpm):				

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

10. Approximate feet of water mains:

Size (diameter):	6"	4"	2"	
Linear feet:	2,170 lf	200	930	

11. Note any fire flow requirements and imposing government agency: **Lake 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 \$ 82.00

15. Service availability fees - Water \$ N/A

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

17. Total gallons pumped during most recent twelve months: 5,061,591

18. Total gallons sold during most recent twelve months: 4,114,000

19. Gallons unaccounted for during most recent twelve months: 927,194

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:

BFC - \$17.28
Gallage Charge -
Per 1,000 - \$2.17

- a. Residential Water _____
- b. General Service _____
- c. Special Contract _____
- d. Other - Specify _____

2. Wastewater:

- a. Residential Wastewater _____
- b. General Service _____
- c. Special Contract _____
- d. Other - Specify _____

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

1. Water Metered	2016	Test Year
a. Residential	64	65

b. General Service	1	1
c. Special Contract	0	
d. Other - Specify	0	
2. Water Unmetered	<u>2016</u>	<u>Test Year</u>
a. Residential	0	
b. General Service	0	
c. Special Contract	0	
d. Other - Specify	0	
3. Wastewater	<u>2016</u>	<u>Test Year</u>
a. Residential		
b. General Service		
c. Special Contract		
d. Other - Specify		

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.

Pine Harbour Waterworks, Inc.
Schedule of Water Rate Base
Test Year Ended 11/30/17

Schedule No. 1-A
Docket No. 2018XXXX-WU

Description	Average Test Year Per Utility	Adjustments	Average Adjusted Test Year
1 Plant in Service	\$93,021	\$0	\$93,021
2 Land and Land Rights	5,000	0	5,000
3 Non-used and Useful Components	0	0	0
4 Accumulated Depreciation	-70,740	0	-70,740
5 CIAC	-62,440	0	-62,440
6 Amortization of CIAC	57,026	0	57,026
7 Working Capital Allowance	<u>3,005</u>	<u>435</u>	<u>3,440</u>
8 Rate Base	<u>\$24,872</u>	<u>\$435</u>	<u>\$25,307</u>

Pine Harbour Waterworks, Inc.
 Adjustments to Rate Base
 Test Year Ended 06/30/16

Schedule No. 1-B
 Docket No. 2018XXX-WU

Explanation	Water	Wastewater
<u>Plant In Service</u>		
1	\$0	\$0
2	\$0	
3	\$0	
4	\$0	
Total	<u>\$0</u>	<u>\$0</u>
<u>Land</u>		
Total	\$0	\$0
	<u>\$0</u>	<u>\$0</u>
<u>Non-used and Useful</u>		
All components are 100% Used and Useful		
	\$0	\$0
<u>Accumulated Depreciation</u>		
1	\$	-
2	\$0	\$0
3	\$0	\$0
4	\$0	\$0
Total	<u>\$0</u>	<u>\$0</u>
<u>CIAC</u>		
1	\$0	\$0
2	\$0	\$0
3	\$0	\$0
Total	<u>\$0</u>	<u>\$0</u>
<u>Accumulated Amortization of CIAC</u>		
1	\$0	\$0
2	\$0	\$0
Total	<u>\$0</u>	<u>\$0</u>
<u>Accumulated Amortization of Neg Acquisition Adjustment</u>		
1	\$0	\$0
2	\$0	\$0
Total	<u>\$0</u>	<u>\$0</u>
<u>Working Capital</u>		
	<u>\$435</u>	<u>\$0</u>

Pine Harbour Waterworks, Inc.
 Capital Structure
 Test Year Ended 11/30/17

Schedule No. 2
 Docket No. 2018XXXX-WU

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	\$0	\$0	\$0	\$0	\$0	0.00%	0.00%	0.00%
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	22,812	0	\$22,812	\$2,433	25,245	99.76%	8.74%	8.72%
15 Customer Deposits	56	0	\$56	\$6	62	0.24%	2.00%	0.00%
16 Deferred Income Taxes	0	0	\$0	\$0	0	0.00%	0.00%	0.00%
20 Total Capital	\$22,868	\$0	\$22,868	\$2,439	\$25,307	100.00%		8.72%
						LOW	HIGH	
						RETURN ON EQUITY	7.74%	9.74%
						OVERALL RATE OF RETURN	7.73%	9.72%

Pine Harbour Waterworks, Inc.
Statement of Water Operations
Test Year Ended 11/30/17

Schedule No. 3-A
Docket No. 2018XXXX-WU

Description	Test Year Per Utility	Adjustments	Adjusted Test Year	Revenue Increase	Revenue Requirement
1 Operating Revenues:	<u>\$23,373</u>	<u>\$0</u>	<u>\$23,373</u>	<u>\$10,292</u> 44.03%	<u>\$33,665</u>
Operating Expenses					
2 Operation & Maintenance	24,036	3,480	27,516	0	27,516
3 Depreciation	2,090	0	2,090	0	2,090
4 Amortization - CIAC	-132	0	-132		-132
5 Taxes Other Than Income	1,521	0	1,520	463	1,984
6 Income Taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
7 Total Operating Expense	<u>27,515</u>	<u>3,480</u>	<u>30,994</u>	<u>463</u>	<u>31,457</u>
8 Operating Income	<u>-\$4,141</u>	<u>-\$3,480</u>	<u>-\$7,621</u>	<u>\$9,829</u>	<u>\$2,208</u>
9 Rate Base	<u>\$24,872</u>		<u>\$25,307</u>		<u>\$25,307</u>
11 Rate of Return	<u>-16.65%</u>		<u>-30.11%</u>		<u>8.72%</u>

Pine Harbour Waterworks, Inc.
 Adjustment to Operating Income
 Test Year Ended 06/30/16

Schedule 3-B
 Docket No. 2018XXXX-WU
 REVISED

Explanation		Water	Wastewater
<u>Operating Revenues</u>			
1		\$0	\$0
2		\$0	\$0
	Total	\$0	\$0
<u>Operation and Maintenance Expense</u>			
1	Annualized USWC Contract	\$3,196	
2		\$0	
3	Rate Case Expense Amortization	\$284	\$0
4	Total	\$3,480	\$0
<u>Depreciation Expense - Net</u>			
1		\$0	\$0
2	0	\$0	
3	Total	\$0	\$0
<u>Taxes Other Than Income</u>			
4	To reflect appropriate RAFs test year revenues	(\$0)	\$0
	Total	(\$0)	\$0
Additional Pro Forma Adjustments			
<u>Operation and Maintenance Expense</u>			
5	Bad Debt Expense on Revenue Increase (2%)	\$0	\$0
<u>TAXES OTHER THAN INCOME TAX</u>			
6	RAF on Revenue Adjustment @ 4.5%	\$463	\$0

WATER UTILITY PLANT ACCOUNTS

ACCT. NO.	ACCOUNT NAME	Test Year Plant		Adjusted Balance	Depr Rates Per Rule	Test Year		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	500	0	500	2.50%	399	0	399	13	13	0.00%	0	#N/A	#N/A
302	Franchises	0	0	0	2.50%	0	0	0	0	0	0.00%	0	#N/A	#N/A
303	Land and Land Rights	5,000	0	5,000	NA	0	0	0	0	0	0.00%	0	0	0
304	Structures and Improvements	8,241	0	8,241	3.70%	759	0	759	131	131	0.00%	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	7,763	0	7,763	3.70%	7,020	0	7,020	287	287	0.00%	0	0	0
308	Infiltration Galleries	0	0	0	2.50%	0	0	0	0	0	0.00%	0	0	0
309	Supply Mains	6,885	0	6,885	3.13%	2,995	0	2,995	215	215	0.00%	0	0	0
310	Power Generation Equipment	0	0	0	5.88%	0	0	0	0	0	0.00%	0	0	0
311	Pumping Equipment	16,314	0	16,314	5.88%	16,314	0	16,314	0	0	0.00%	0	0	0
320	Water Treatment Equipment	1,427	0	1,427	5.88%	413	0	413	63	63	0.00%	0	0	0
330	Distribution Reservoirs	15,811	0	15,811	3.03%	12,007	0	12,007	479	479	0.00%	0	0	0
331	Transmission and Distribution Mains	22,468	0	22,468	2.63%	18,742	0	18,742	591	591	0.00%	0	0	0
333	Services	5,692	0	5,692	2.86%	5,101	0	5,101	163	163	0.00%	0	0	0
334	Meter & Meter Installations	3,373	0	3,373	5.88%	3,363	0	3,363	34	34	0.00%	0	0	0
335	Hydrants	4,547	0	4,547	2.50%	3,627	0	3,627	114	114	0.00%	0	0	0
339	Other Plant & Miscellaneous Equipment	0	0	0	10.00%	0	0	0	0	0	0.00%	0	0	0
340	Office Furniture & Equipment	0	0	0	6.67%	0	0	0	0	0	0.00%	0	0	0
340	Computer Equipment	0	0	0	16.67%	0	0	0	0	0	0.00%	0	0	0
341	Transportation Equipment	0	0	0	16.67%	0	0	0	0	0	0.00%	0	0	0
342	Stores Equipment	0	0	0	5.56%	0	0	0	0	0	0.00%	0	0	0
343	Tools, Shop & Garage	0	0	0	6.25%	0	0	0	0	0	0.00%	0	0	0
344	Laboratory Equipment	0	0	0	6.67%	0	0	0	0	0	0.00%	0	0	0
345	Power Operated Equipment	0	0	0	8.33%	0	0	0	0	0	0.00%	0	0	0
346	Communication Equipment	0	0	0	10.00%	0	0	0	0	0	0.00%	0	0	0
347	Miscellaneous Equipment	0	0	0	6.67%	0	0	0	0	0	0.00%	0	0	0
348	Other Plant & Miscellaneous Equipment	0	0	0	10.00%	0	0	0	0	0	0.00%	0	0	0
	INTANGIBLE PLANT	\$500	\$0	\$500		\$399	\$0	\$399	\$13	\$13	#N/A	\$0	\$0	\$0
	SOURCE OF SUPPLY & PUMPING	44,203	0	44,203		27,088	0	27,088	633	633	0.00%	0	0	0
	WATER TREATMENT PLANT	1,427	0	1,427		413	0	413	63	63	0.00%	0	0	0
	TRANSMISSION & DISTRIBUTION	51,891	0	51,891		42,840	0	42,840	1,381	1,381	0.00%	0	0	0
	GENERAL PLANT	0	0	0		0	0	0	0	0	#N/A	0	0	0
	TOTALS - WATER	\$98,021	\$0	\$98,021		\$70,740	\$0	\$70,740	\$2,090	\$2,090	0.00%	\$0	\$0	\$0

RATIO OF NON-USED & USEFUL PLANT **0.00%**

Pine Harbour Waterworks, Inc.

O&M EXPENSES-WATER

Test Year Ended 11/30/17

Docket No. 2018XXXX-WU

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.	3,200	0	3,200
604	EMPLOYEE PENSIONS AND BENEFITS	0	0	0
610	PURCHASED WATER	0	0	0
615	PURCHASED POWER	945	0	945
616	FUEL FOR POWER PRODUCTION	0	0	0
618	CHEMICALS	586	0	586
620	MATERIALS AND SUPPLIES	0	0	0
631	CONTRACTUAL SERVICES -ENGR.	0	0	0
632	CONTRACTUAL SERVICES - ACCT.	350	0	350
633	CONTRACTUAL SERVICES - LEGAL	1,045	0	1,045
634	CONTRACTUAL SERVICES - MGMT. FEES	0	0	0
635	CONTRACTUAL SERVICES - OTHER	0	0	0
636	CONTRACTUAL SERVICES - OPERATIONS	16,527	3,196	19,723
641	RENTAL OF BUILDING/REAL PROPERTY	0	0	0
642	RENTAL OF EQUIPMENT	0	0	0
650	TRANSPORTATION EXPENSES	0	0	0
656	INSURANCE-VEHICLE	0	0	0
657	INSURANCE-GENERAL LIABILITY	1,112	0	1,112
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	284	284
667	REGULATORY COMM. EXPENSES - OTHER	0	0	0
670	BAD DEBT EXPENSE	156	0	156
675	MISCELLANEOUS EXPENSES	116	0	116
	TOTAL OPERATION AND MAINTENANCE	<u>\$24,036</u>	<u>\$3,480</u>	<u>\$27,516</u>

Analysis of Rate Case Expense

Florida Public Service Commission

Pine Harbour Waterworks, Inc.
 Docket No. 2018XXXX-WU
 Test Year Ended 11/30/17

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 -	Rendell		\$ 68.25	Notices - printing & mailing	PSC Rule - past Commission practice	
8	Customer Meeting						
9	Customer Notice - Final Rates	Rendell		\$ 68.25	Notices - printing & mailing	PSC Rule - past Commission practice	
10	Travel - Customer Meeting	Rendell, Derosssett		\$ 250.00	Attend Customer Meeting	Customer Meeting - Lodging, Mileage & Meals	
11	Filing Fee	Rendell		\$ 500.00	Filing Fee	PSC Rule	
12	Travel - PAA Agenda	Rendell / Deremer		\$ 250.00	Attend PAA Agenda	PAA Agenda - Lodging, Mileage & Meals	
13	Sub-Total Other			1,137			
14	Total Estimate Through PAA [X] or Commission Hearing [1,137			
15	Allocation to this Rate Group:						
16		Water	Water	Sewer	Sewer		
17	Allocated Total	Allocation %	Amount	Allocation %	Amount		
18	Amortization of Rate Case Expense:						
19	Amortization Period in Years:		4		4		
20	Amortization Amount per year		284		0		
21	Deferred Rate Case Expense (for CWC on A-3)						
22	=(Allocated Total less first year amortization)/2		426		0		
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	\$469	\$0	\$469	\$0	\$469		\$469
PAYROLL	0	0	0	0	0		0
REGULATORY ASSESSMENT FEES	1,052	0	1,052	0	1,052	463	1,515
OTHER	0	0	0	0	0		0
TOTAL	\$1,521	\$0	\$1,521	\$0	\$1,521	\$463	\$1,984

Test Year RAF 1,052
 Utility Adj Rev 1051.7967
 Adjustment -0.0067

WASTEWATER	TEST YEAR	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	ADJUSTMENTS	ADJUSTED TEST YEAR	REVENUE INCREASE	REVENUE REQUIREMENT
PERSONAL PROPERTY	\$0	\$0	\$0	\$0	\$0		\$0
PAYROLL	0	0	0	0	0		0
REGULATORY ASSESSMENT FEES	0	0	0	0	0	0	0
OTHER	0	0	0	0	0		0
TOTAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Test Year RAF 0
 Utility Adj Rev 0
 Adjustment 0

Pine Harbour Waterworks, Inc.
FACTORED ERCs & GALLONS - WATER
 Test Year Ended 11/30/17
 (METER EQUIVALENT FACTORS BELOW)

Docket No. 2018XXXX-WU

<u>METER SIZE</u>	<u>ERC</u>	<u>NUMBER OF BILLS</u>	<u>FACTORED ERCs</u>	<u>GALLONS (000s)</u>
<u>RESIDENTIAL</u>				
5/8 x 3/4"	1.0	789	789	4,309
3/4"	1.5	0	0	0
1"	2.5	0	0	0
1-1/2"	5.0	0	0	0
TOTAL RESIDENTIAL		<u>789</u>	<u>789</u>	<u>4,309</u>
<u>GENERAL SERVICE</u>				
5/8"x3/4"	1.0	0	0	0
3/4"	1.5	0	0	0
1"	2.5	0	0	0
1-1/2"	5.0	0	0	0
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	0	0	0
TOTAL GENERAL SERVICE		<u>0</u>	<u>0</u>	<u>0</u>
<u>PRIVATE FIRE PROTECTION</u>				
2"	0.7	0	0	0
3" COMPOUND	1.3	0	0	0
4" COMPOUND	2.1	0	0	0
6" COMPOUND	4.2	0	0	0
8" COMPOUND	6.7	0	0	0
TOTAL PRIVATE FIRE PROTECTION		<u>0</u>	<u>0</u>	<u>0</u>
TOTAL WATER		<u>789</u>	<u>789</u>	<u>4,309</u>

**Pine Harbour Waterworks, Inc.
Water Monthly Service Rates
Test Year Ended 11/30/17**

**Schedule No. 4-A
Docket No. 2018XXXX-WU**

	Rates Prior to Filing	Utility Requested Final	4-year Rate Reduction
<u>Residential Service (RS)</u>			
Base Facility Charge by Meter Size:			
5/8" x 3/4"	\$17.28	\$22.43	\$0.18
3/4"	\$25.92	\$33.65	\$0.27
1"	\$43.22	\$56.08	\$0.44
1-1/2"	\$86.41	\$112.16	\$0.89
2"	\$138.27	\$179.46	\$1.42
3"	\$276.51	\$358.93	\$2.85
4"	\$432.04	\$560.82	\$4.45
6"		\$1,121.64	\$8.90
<u>Residential & Irrigation Gallonage Charge:</u>			
per 1,000 Gallons			
All gallons - per 1,000	\$2.17	\$3.50	\$0.03
		\$0.00	\$0.00
<u>General Service (GS), Commercial Irrigation (CI)</u>			
Base Facility Charge by Meter Size:			
5/8" x 3/4"	\$0.00	\$22.43	\$0.18
3/4"	\$0.00	\$33.65	\$0.27
1"	\$0.00	\$56.08	\$0.44
1-1/2"	\$0.00	\$112.16	\$0.89
2"	\$0.00	\$179.46	\$1.42
3"	\$0.00	\$358.93	\$2.85
4"	\$0.00	\$560.82	\$4.45
6"	\$0.00	\$1,121.64	\$8.90
Gallonage Charge, per 1,000 Gallons	\$0.00	\$3.50	\$0.03
<u>Private Fire Protection</u>			
Base Facility Charge by Meter Size:			
2"	\$0.00	\$14.96	\$0.12
3"	\$0.00	\$29.91	\$0.24
4"	\$0.00	\$46.74	\$0.37
6"	\$0.00	\$93.47	\$0.74
<u>Typical Residential Bills 5/8" x 3/4" Meter</u>			
3,000 Gallons	\$23.79	\$32.93	
5,000 Gallons	\$28.13	\$39.93	
10,000 Gallons	\$34.64	\$50.43	

Revenue Schedule at Present and Proposed Rates

Florida Public Service Commission

Pine Harbour Waterworks, Inc.
 Docket No. 2018XXXX-WU
 Test Year Ended 11/30/17
 Water [X] or Sewer []

Schedule: E-1w
 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) Test Year Rate	(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"	789		17.28	13,634	789		17.28	13,634			22.43	17,697
3	3/4"	0		25.92	0	0		25.92	0			33.65	0
4	1"	0		43.22	0	0		43.22	0			56.08	0
5	1-1/2"	0		86.41	0	0		86.41	0			112.16	0
6	2"	0		138.27	0	0		138.27	0			179.46	0
7	3"	0		276.51	0	0		276.51	0			358.93	0
8	4"	0		432.04	0	0		432.04	0			560.82	0
9	Gallonge Charge, per 1,000 gallons												
10	All gallons per 1,000		4,580	2.17	9,351	(271)	4,309	2.17	9,351	0	4,309	3.50	15,082
11					0		0		0	0	0		0
12					0		0		0	0	0		0
13	Total Residential	789	4,580		22,984	789	4,309		22,984	0	4,309		32,779
14	Average Bill				29.13				29.13				41.54
15													
16	General Service												
17	5/8" X 3/4"	0	0		0	0		17.28	0			22.43	0
18	3/4"	0			0	0		25.92	0			33.65	0
19	1"	0			0	0		43.22	0			56.08	0
20	1-1/2"	0			0	0		86.41	0			112.16	0
21	2"	0			0	0		138.27	0			179.46	0
22	3"	0			0	0		276.51	0			358.93	0
23	4"	0			0	0		432.04	0			560.82	0
24	6"	0			0	0			0			1,121.64	0
25	8"	0			0	0			0			1,794.63	0
26	Gallonge		0		0		0	3.80	0	0	0	3.50	0
27	Total General Serv	0	0		0	0	0		0	0	0		0
28	Average Bill												
29													
30	Irrigation												
31	5/8" X 3/4"	0			0	0	NA		0			22.43	0
32	Gallonge Charge, per 1,000 gallons												
33	0 - 8,000 gal.		0		0		0		0	0	0	3.50	0
34	Over 8,000 gal.		0		0		0		0	0	0		0
35			0		0		0		0	0	0		0
36	Block 4		0		0		0		0	0	0		0
37	Total Irrigation	0	0		0	0	0		0	0	0		0
38	Average Bill												
39													
40	Fire Protection												
41	2"	0	NA		0	0			0			14.96	0
42	3"	0	NA		0	0			0			29.91	0
43	4"	0	NA		0	0			0			46.74	0
44	6"	0	NA		0	0			0			93.47	0
45	8"	0	NA		0	0			0			149.55	0
46	10"	0	NA		0	0			0			214.98	0
47	Total Fire Protect	0	NA		0	NA			0	NA			0
48	Average Bill												
49													
50	Subtot Billd Rev	789	4,580		22,984	789	4,309		22,984	0	4,309		32,779
51	Unbilled Revenues				0				0				0
52	Guaranteed Revenues				0				0				0
53	Misc. Service Charge				888				888				888
54	Adjustments to Customers				0				0				0
55	Tot Billed Rev				23,873				23,873				33,667
56	Booked Revenue per GL				23,373				23,373				33,667
###	Difference - Index				500	2.1%			500	2.1%			

		Test Year	Source	BFC	Usage	BFC	Usage
		Adjusted		%	%	Amt	Amt
O & M							
601	SALARIES AND WAGES - EMPLOYEES	-	B-5	50%	50%	-	-
603	SALARIES: OFFICERS, DIRECTORS, ETC.	3,200	B-5	50%	50%	1,600	1,600
604	EMPLOYEE PENSIONS AND BENEFITS	-	B-5	50%	50%	-	-
610	PURCHASED WATER	-	B-5	0%	100%	-	-
615	PURCHASED POWER	945	B-5	0%	100%	-	945
616	FUEL FOR POWER PRODUCTION	-	B-5	0%	100%	-	-
618	CHEMICALS	586	B-5	0%	100%	-	586
620	MATERIALS AND SUPPLIES	-	B-5	0%	100%	-	-
631	CONTRACTUAL SERVICES -ENGR.	-	B-5	50%	50%	-	-
632	CONTRACTUAL SERVICES - ACCT.	350	B-5	50%	50%	175	175
633	CONTRACTUAL SERVICES - LEGAL	1,045	B-5	50%	50%	523	523
634	CONTRACTUAL SERVICES - MGMT. FEES	-	B-5	50%	50%	-	-
635	CONTRACTUAL SERVICES - OTHER	-	B-5	50%	50%	-	-
636	CONTRACTUAL SERVICES - OPERATIONS	19,723	B-5	100%	0%	19,723	-
641	RENTAL OF BUILDING/REAL PROPERTY	-	B-5	100%	0%	-	-
642	RENTAL OF EQUIPMENT	-	B-5	50%	50%	-	-
650	TRANSPORTATION EXPENSES	-	B-5	100%	0%	-	-
656	INSURANCE-VEHICLE	-	B-5	100%	0%	-	-
657	INSURANCE-GENERAL LIABILITY	1,112	B-5	100%	0%	1,112	-
658	INSURANCE-WORKMAN'S COMP.	-	B-5	100%	0%	-	-
659	INSURANCE-OTHER	-	B-5	50%	50%	-	-
660	ADVERTISING EXPENSE	-	B-5	50%	50%	-	-
666	AMORT. OF RATE CASE EXPENSE	284	B-5	50%	50%	142	142
667	REGULATORY COMM. EXPENSES - OTHE	-	B-5, B-1	50%	50%	-	-
670	BAD DEBT EXPENSE	156	B-5	50%	50%	78	78
675	MISCELLANEOUS EXPENSES	116					
	Total Water O&M	27,516	Summed			23,352	4,048
Depreciation & Amort							
403	Depreciation (Used & Useful)	2,090	B-13	100%	0%	2,090	-
	Less: Amort of CIAC	(132)	B-13	100%	0%	(132)	-
	Amort of Other	-	B-1	50%	50%	-	-
	Total Depr & Amort	1,957				1,957	0
Taxes Other Than Income Tax							
	RAF	1,515	B-15	86%	14%	1,298	217
	Payroll	-	B-15	100%	0%	-	-
	Property	469	B-15	100%	0%	469	-
	Other	-	B-15	100%	0%	-	-
	Total Taxes Other than ...	1,984				1,767	217
Income Tax							
	Fed, State	-	B-1	86%	14%	-	-
Return On Investment							
		2,208	D-1	86%	14%	1,891	316
Total Revenue Requirement							
		33,665	B-1			28,968	4,582
Conservation Adjustment							
	Less: Misc Revenue	(888)	E-1w	100%	0%	(888)	-
Total Revenue for Rate Setting, Calc'd							
		32,777		86%	14%	28,079	4,582
PSC override %BFC from Cover Sheet-->							
	Total Revenue for Rate Setting Used Below	32,777		54%	46%	17,700	15,077

E Rate Design - Water

This section calculates the proposed rates

Class/Meter Size	Units	Factor	WghtdUnts	Chg/WgtUn	BFC	Expected
Total (Res, Gen Svc, Irr)						
5/8" X 3/4"	789	1.00	789		22.43	17,697
3/4"	-	1.50	0		33.65	-
1"	-	2.50	0		56.08	-
1-1/2"	-	5.00	0		112.16	-
2"	-	8.00	0		179.46	-
3"	-	16.00	0		358.93	-
4"	-	25.00	0		560.82	-
6"	-	50.00	0		1,121.64	-
8"	-	80.00	0		1,794.63	-
10"	-	115.00	0		2,579.78	-
Fire Protection (= 1/12 of Commercial)		0.0833				
2"	-	0.67	0		14.96	-
3"	-	1.33	0		29.91	-
4"	-	2.08	0		46.74	-
6"	-	4.17	0		93.47	-
8"	-	6.67	0		149.55	-
10"	-	9.58	0		214.98	-
Total BFC	<u>789</u>		<u>789</u>	22.433		<u>17,697</u>

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

Gallage charge					Usage Chg	Expected
Total Usage	4,309	1.00	4,309	3.499	3.50	15,082
Gen'l Svc only	-	1.00			3.50	-
Remainder to be recovered from Residential						<u>15,082</u>
Residential Only					Usage Chg	Expected
Block 1	4,580	1.00	4,580		3.29	15,068
Block 2	-	1.50	0			-
Block 3	-	2.00	0			-
Irrigation						
Block 1	-	1.00	0			-
Block 2	-	1.50	0			-
Block 3	-	2.00	0			-
Block 4	-	2.00	0			-
Total Usage	<u>4,580</u>		<u>4,580</u>	3.293		<u>15,068</u>
						32,765
						888
						<u>33,654</u>

Iteration 2, Repression - ' % increases previous bill to pre repression bill

Gallonaage charge using Rev Rqmnts from above

Repressed CONSOL Units-->	Units	Factor	WghtdUnits	Usage Chg
Block 1 home	4,309	1.00	4,309	3.50
Block 2 home	-	1.50	0	
Block 3 home	-	2.00	0	
Block 1 irr	-	1.00	0	
Block 2 irr	-	1.50	0	
Block 3 irr	-	2.00	0	
Total Usage	<u>4,309</u>		<u>4,309</u>	3.500

Res Usage portion of Total Revenue for Rate Setting (from above)

(Less) Reduction in Purchased Water, Power, Chemicals due to repression

= Revised Usage portion to be recovered in rates

CONSOL reduction->

Usage Amt
15,082
0
15,082

Gallonaage charge using reduced Rev Reqmnt

	Units	Factor	WghtdUnits	Usage Chg
Block 1	4,309	1.00	4,309	3.50
Block 2	-	1.50	0	
Block 3	-	2.00	0	
Total Usage	<u>4,309</u>		<u>4,309</u>	3.500

Ratio of Usage Charge reduced expense to full expense

1.0000