

Brandy Butler

From: Kate Hamrick
Sent: Monday, May 07, 2018 1:28 PM
To: Braulio Baez; Mark Futrell; Apryl Lynn; CLK - Agenda Staff; Greg Shafer; Mary Anne Helton; Keith Hetrick; Cindy Muir; Commissioners & Staffs; Terence Bethea; Shannon Hudson; Jennifer Crawford
Subject: APPROVED: Request for approval of oral modification to Item 7, Docket No. 20180100-WS, Application for of tariff for the gross-up of CIAC by Ni Florida, LLC

Please see the second approved oral modification for Item 7 (20180100-WS) below.

Kate Hamrick
Executive Assistant to
Mark Futrell
Deputy Executive Director: Technical
Florida Public Service Commission
850-413-6304

From: Braulio Baez
Sent: Monday, May 07, 2018 1:26 PM
To: Kate Hamrick
Subject: RE: Request for approval of oral modification to Item 7, Docket No. 20180100-WS, Application for of tariff for the gross-up of CIAC by Ni Florida, LLC

Approved. Thanks

From: Kate Hamrick
Sent: Monday, May 07, 2018 12:39 PM
To: Braulio Baez
Subject: FW: Request for approval of oral modification to Item 7, Docket No. 20180100-WS, Application for of tariff for the gross-up of CIAC by Ni Florida, LLC

For your approval.

Kate Hamrick
Executive Assistant to
Mark Futrell
Deputy Executive Director: Technical
Florida Public Service Commission
850-413-6304

From: Greg Shafer
Sent: Monday, May 07, 2018 12:37 PM
To: Mark Futrell
Cc: Andrew Maurey; Mark Cicchetti; Patti Daniel; Shannon Hudson; Kate Hamrick
Subject: RE: Request for approval of oral modification to Item 7, Docket No. 20180100-WS, Application for of tariff for the gross-up of CIAC by Ni Florida, LLC

The original request for oral modification incorrectly identified the page numbers of the affected changes. The page numbers have been corrected below.

Staff requests approval to make an oral modification to Item 7 scheduled for the May 8, 2018 Commission Conference, Application for approval of tariff for the gross-up of CIAC for water rates in Lee County and wastewater rates in Pasco County, by NI Florida, LLC. Staff's proposed modification is limited to correcting the formula to gross-up CIAC on the proposed tariff pages attached to staff's recommendation.

Subsequent to filing its recommendation, the Company notified staff that modification is necessary to correct the formula for grossing-up cash and land CIAC. Staff's requested oral modification to correct the referenced formula appearing on Attachment A, pages 6 and 7.

Page 6 (Attachment A)

NI FLORIDA, LLC
WATER TARIFF

FIRST REVISED SHEET NO. 19.0
CANCELS ORIGINAL SHEET NO. 19.0

Income Taxes Related to Cash and Property Contributions In Aid of Construction The utility may gross-up cash service availability charges and property contributions in aid of construction in order to recover the federal and state corporate income taxes associated with these contributions. The formula to be used to gross-up cash service availability charges and contributed property are as follows:

TAX IMPACT= Full Gross Up:

Depreciable Plant:

For utilities using straight-line depreciation for tax purposes, the gross-up formula shall

be: $(CP - (CP * (1/TL) * .5)) * (CTR / (1 - CTR))$

For utilities using an accelerated rate of depreciation for tax purposes, the gross-up

formula shall be: $(CP - ((CP * AR) * .5)) * (CTR / (1 - CTR))$

Land (and Cash): $CL * CTR * (CTR / (1 - CTR))$

Where:

CP = Contributed Plant

TL = Tax Life of Contributed Plant

AR = First Year Accelerated Depreciation Rate for Tax Purposes

CTR = Combined Federal (FT) and State (ST) Income Tax Rate. $ST + FT (1 - ST)$

CL = Contributed Land (and Contributed Cash)

EFFECTIVE DATE:

Michael J. Ashford
ISSUING OFFICER

TYPE OF FILING: Tariff Filing

Regulatory Director
TITLE

Page 7 (Attachment A):

NI FLORIDA, LLC
WASTEWATER TARIFF

ORIGINAL SHEET NO. 18.1

Income Taxes Related to Cash and Property Contributions In Aid of Construction

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ISSUING OFFICER

TYPE OF FILING: Tariff Filing

Regulatory Director
TITLE

From: Greg Shafer
Sent: Monday, May 07, 2018 11:22 AM
To: Patti Daniel
Subject: FW: Request for approval of oral modification to Item 7, Docket No. 20180100-WS, Application for of tariff for the gross-up of CIAC by Ni Florida, LLC

From: Greg Shafer
Sent: Thursday, May 03, 2018 2:54 PM
To: Mark Futrell
Cc: Kate Hamrick; Patti Daniel; Shannon Hudson
Subject: Request for approval of oral modification to Item 7, Docket No. 20180100-WS, Application for of tariff for the gross-up of CIAC by Ni Florida, LLC

Mark,
For your review and approval

Thanks,
Greg

Staff requests approval to make an oral modification to Item 7 scheduled for the May 8, 2018 Commission Conference, Application for approval of tariff for the gross-up of CIAC for water rates in Lee County and wastewater rates in Pasco County, by NI Florida, LLC. Staff's proposed modification is limited to correcting the formula to gross-up CIAC on the proposed tariff pages attached to staff's recommendation.

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Page 6 (Attachment A):

NI FLORIDA, LLC
WASTEWATER TARIFF

ORIGINAL SHEET NO. 18.1

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ISSUING OFFICER

TYPE OF FILING: Tariff Filing

Regulatory Director
TITLE

Page 7 (Attachment A)

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EFFECTIVE DATE:

Michael J. Ashford
ISSUING OFFICER

TYPE OF FILING: Tariff Filing

Regulatory Director
TITLE