

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

DOCKET NO. 20170141-SU

DATED: APRIL 18, 2018

STAFF'S RESPONSE TO K W RESORT UTILITIES CORP.'S  
FIRST SET OF INTERROGATORIES (NOS. 1-6)

The staff of the Florida Public Service Commission (staff), pursuant to Rule 28-106.206 F.A.C., Rule 1.340, Fla. R. Civ. P., and Order No. PSC-2018-0039-PCO-SU submit the following responses to the First Set of Interrogatories propounded by K W Resort Utilities Corp. (KWRU) on April 20, 2018.

**GENERAL OBJECTIONS**

Staff generally objects to each and every interrogatory that calls for information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege or protection afforded by law, whether such privilege or protection appears at the time the response is first made or is later determined to be applicable for any reason. Staff in no way intends to waive such privilege or protection. Staff objects to each request to the extent that it seeks information that is duplicative or not relevant to the subject matter of this docket and is not reasonably calculated to lead to the discovery of admissible evidence.

Staff also objects to discovery requests to the extent that they call for staff to prepare information in a particular format or perform calculations or analyses not previously prepared or performed as purporting to expand staff's obligations under applicable law. Staff will comply with its obligations under the applicable rules of procedure.

Staff objects to providing information to the extent that such information is already in the public record before the Commission, or other public agency, and available through normal procedures or is readily accessible through legal search engines.

Finally, staff expressly reserves and does not waive any and all objections it may have to the admissibility, authenticity, or relevance of the information provided within its responses. By making these general objections at this time, staff does not waive or relinquish its right to assert additional general and specific objections to KWRU as they become know.

Specific objections will be made contemporaneously with each response.

### **INTERROGATORIES**

1. What is the name and address of the person answering these interrogatories and/or assisting in answering these interrogatories, and, if applicable, what is the person's official position or relationship with you, and the length of time the person has held that position or relationship with you.

**ANSWER:** My name is Marisa Glover and my business address is 2540 Shumard Oak Boulevard, Tallahassee, FL 32399. I am employed by the Florida Public Service Commission (FPSC or Commission) as a Regulatory Analyst Supervisor in the Office of Auditing and Performance Analysis. I have been employed by the Commission since April 2016.

2. Please list the attorneys who have performed work for PSC in this docket, and state the duties of and work performed to date by each listed attorney.

**ANSWER:**

Objection. Irrelevant. This interrogatory requests information that is neither relevant to an issue in dispute in this docket, nor reasonably calculated to lead to relevant information.

3. In Account 361 Collection Sewers – Gravity, PSC audit staff determined KWRU did not record \$16,658 of PSC ordered adjustments. KWRU recorded an adjustment in the amount of \$124,295.86, decreasing plant. The PSC ordered adjustment was to decrease plant by \$140,054.

- (a) Please state whether the calculation of \$16,658 ( $\$140,054 - \$124,295.86$ ) is correct.

**ANSWER:** No, the calculation is not correct.  $\$140,054 - \$124,295.86 = \$15,758$ . However, audit finding 1 of the original audit report filed in this docket inadvertently left out a description of an additional audit adjustment of \$900. A corrected audit finding was filed in Docket 20170141-SU on March 27, 2018 and attached to my testimony as MG-2 to clarify the calculation. The Utility increased this account by \$900 prior to the test year. Audit staff believed this was in error and recommends an additional reduction of \$900. The total adjustment is to decrease this account by \$16,658 ( $\$15,758 + \$900$ ).

- (b) Please provide the basis for the \$140,054 amount utilized. Please note that Table 1-1 in the 2014 audit report states an amount of \$141,552.

**ANSWER:** The 2014 audit report decreased the year-end balance of this account by \$141,552. The Commission decreased the adjustment by \$1,498 bringing the final decrease to \$140,054 ( $\$141,552 - \$1,498$ ).

- (c) Was the stipulation that incorporated KWRU's response to reduce the finding by  $\$16,552 + \$924$ , considered in that calculation? If not, why not?

**ANSWER:** These adjustments were not included in Account 361. The account balance in the 2014 audit report for Account 360-Collections Sewers- Force was \$66,944. The Commission decreased this by  $\$16,552 + \$924$ , which left an ending balance of \$49,468. Audit staff reviewed Account 360 and found no discrepancies.

4. In Account 371 – Pumping Equipment, PSC audit staff determined KWRU needed to make an adjustment in the amount of \$9,514 (\$21,344 -- \$11,830) to increase the account. KWRU recorded an adjustment in the amount of \$21,344 decreasing Account 371. The PSC ordered adjustment was to decrease this account by \$11,830.

- (a) Please state the basis of the \$21,344 amount. Please note that Table 1-1 in the 2014 audit report states \$11,830.

**ANSWER:** The Commission Ordered Adjustment in the prior docket was to decrease Account 371 by \$11,830. Audit staff noted that the Utility decreased Account 371 by \$21,344. Audit staff requested support documentation for this adjustment from the utility, but it was not provided. Therefore, audit staff removed this amount by increasing the account by \$9,514(\$21,344-\$11,830).

5. In Account 394 – Laboratory Equipment, PSC audit staff determined KWRU needed to make an adjustment in the amount of \$344 (\$5,255 – \$4,911) to decrease this account. KWRU recorded an adjustment in the amount of \$4,911 decreasing this account. The PSC ordered adjustment was to decrease this account by \$5,255.
- (a) Please state the rationale for not including KWRU's stipulation, which incorporated KWRU's response to reduce the finding by \$344?

**ANSWER:** The Commission Ordered Adjustment was to decrease the account by \$5,255 at year-end. The Utility decreased the account by \$4,911. Our adjustment in the current audit is to reduce this account by an additional \$344.

6. In Account 395 – Power Generation Equipment, PSC audit staff determined KWRU did not record the PSC ordered adjustment of \$12,038 to decrease this account.
- (a) Please state the rationale for utilizing \$12,038, rather than \$13,046. Please note the adjustment in the 2014 audit was \$13,046.

**ANSWER:** The 2014 Audit report reduced the utility year-end balance by \$13,046. The Commission adjusted this amount by \$1,008 resulting in a adjustment of \$12,038(\$13,046-\$1,008).

M. Glover  
AGENT OF FLORIDA PUBLIC  
SERVICE COMMISSION  
Print Name: M. Glover  
Title: Beg Analyst Supervisor

STATE OF FLORIDA     )  
  : SS  
COUNTY OF Leon     )

BEFORE ME, the undersigned personally appeared Maura Glover, who is personally known to me or who produced Florida's license as identification, and who, after being duly sworn, deposed and stated that the above answers to interrogatories are true and correct.

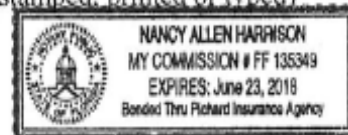
SWORN TO AND SUBSCRIBED before me this 18th day of April, 2018.

[Signature]  
Notary Public

Name (stamped, printed or typed)

My commission expires:

June 23, 2018





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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that STAFF'S RESPONSE TO K W RESORT UTILITIES CORP.'S FIRST SET OF INTERROGATORIES (Nos. 1-6) has been served by electronic mail to Martin S. Friedman, Friedman & Friedman, P.A., 600 Rinehart Road, Suite 2100, Lake Mary, FL 32746, [mfriedman@ffllegal.com](mailto:mfriedman@ffllegal.com), and that a true copy has been furnished to the following by electronic mail this 18th day of April, 2018:

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