

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 6, 2018

TO: Docket No. 20170141-SU - Application for increase in wastewater rates in Monroe County by K W Resort Utilities Corp.

FROM: Carlotta S. Stauffer, ^{CSS} Commission Clerk, Office of Commission Clerk

RE: Oral Modification to Item 12 on the 8/7/2018 Agenda (Schedule No. 3-A)

Attached is a replacement for page number 7 of the Oral Modification to Item 12 on the 8/7/2018 Agenda, assigned DN 05091-2018. That filing contained an incomplete version of Schedule No. 3-A.

/css
Attachment

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| KWRU Statement of Wastewater Operations Test Year Ended 06/30/17 | | | | | | Schedule No. 3-A Docket No. 20170141-WS | |
|--|-----------------------------|-----------------------------|--------------------------------------|--|--|--|--|
| Description | Test Year Per Utility | Utility Adjust- ments | Adjusted Test Year Per Utility | Staff Adjust- ments | Staff Adjusted Test Year | Revenue Increase | Revenue Requirement |
| 1 Operating Revenues: | <u>\$2,130,307</u> | <u>\$1,551,910</u> | <u>\$3,682,217</u> | <u>(\$1,322,606)</u> | <u>\$2,359,611</u> | <u>\$1,156,895</u> <u>\$1,142,487</u> 49.03%48.42% | <u>\$3,516,506</u> <u>\$3,502,098</u> |
| Operating Expenses | | | | | | | |
| 2 Operation & Maintenance | \$1,720,331 | \$812,727 | \$2,533,058 | <u>(\$86,424)</u> <u>(\$100,183)</u> | <u>\$2,446,634</u> <u>\$2,432,875</u> | | <u>\$2,446,634</u> <u>\$2,432,875</u> |
| 3 Depreciation | 144,159 | 192,324 | 336,483 | (33,349) | 303,134 | | 303,134 |
| 4 Amortization | 0 | 0 | 0 | 0 | 0 | | 0 |
| 5 Taxes Other Than Income | 175,513 | 112,405 | 287,918 | (39,508) | 248,410 | <u>52,060</u> <u>51,412</u> | <u>300,470</u> <u>299,822</u> |
| 6 Income Taxes | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 7 Total Operating Expense | <u>2,040,003</u> | <u>1,117,456</u> | <u>3,157,459</u> | <u>(159,281)</u> <u>(173,040)</u> | <u>2,998,178</u> <u>2,984,419</u> | <u>52,060</u> <u>51,412</u> | <u>3,050,238</u> <u>3,035,831</u> |
| 8 Operating Income | <u>\$90,304</u> | <u>\$434,454</u> | <u>\$524,758</u> | <u>(\$1,163,325)</u> <u>(\$1,149,566)</u> | <u>(\$638,567)</u> <u>(\$624,808)</u> | <u>\$1,104,835</u> <u>\$1,091,075</u> | <u>\$466,267</u> |
| 9 Rate Base | <u>\$2,229,328</u> | | <u>\$7,043,725</u> | | <u>\$6,080,883</u> | | <u>\$6,080,883</u> |
| 10 Rate of Return | <u>4.05%</u> | | <u>7.45%</u> | | <u>-10.50%</u> <u>-10.27%</u> | | <u>7.67%</u> |