

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: February 14, 2019

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: Emily Knoblauch, Engineering Specialist II, Division of Engineering *MEK*

RE: Docket No. 20180218-SU - Application for staff-assisted rate case in Brevard County by TKCB, Inc.

Please file the attached Utility's Response to Staff's Inquire of Effluent Pump Replacement, in the above mentioned docket file.

Thank you.

EK/jp

Attachment

TKCB, Inc.
Docket No. 20180218-SU
Staff Assisted Rate Case

Response to Staff's inquire of Effluent Pump Replacement

The invoices for the pump and parts were included in the contractual services- other, I believe the invoice from Jerry Padrick is #139293. For the effluent pump that was replaced, do you know the original cost and year of when it was placed in service?

The effluent pump referenced above was replaced in March 2018. There is no record of the original cost or the date that the effluent pump was placed in service.

In TKCB's last rate case, Docket No. 20120078-SU, Order No. PSC-2013-0126-PAA-SU, issued March 14, 2013 set Rate Base at \$2,574 (ignoring averaging and proforma plant adjustments). This balance represented the reclassified costs of a new surge pump that had been expensed to O&M during the test year. TKCB's request for consideration and inclusion of a value for the existing wastewater plant was denied because of the lack of supporting documentation. Staff also reasoned that the wastewater plant and wastewater service lines, in existence since 1984, were almost fully depreciated.

The only assets included in TKCB's current rate base is the surge pump referenced above and other asset additions that have been added since rate base was established in the above order. None of these subsequent additions were for an effluent pump.

The effluent pump, referenced above, was a part of the existing wastewater plant at the time of the prior rate case. As discussed above, no value was included for these assets in the prior rate case. Therefore, there are no values for Plant in Service or Accumulated Depreciation on TKCB's books that needs to or should be retired.