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Public Service Commission

August 5, 2020

Martin S. Friedman
Dean, Mead, Egerton, Bloodworth, Capouano & Bozarth, P.A.
420 South Orange Avenue, Suite 700
P.O. Box 2346 (Zip 32802-2346)
Orlando, FL 32801

2020 AUG -5 AM 9:19
RECEIVED-PPSC

Re: Docket No. 20200139-WS - Application for increase in water and wastewater rates in Charlotte, Highlands, Lake, Lee, Marion, Orange, Pasco, Pinellas, Polk, and Seminole Counties by Utilities, Inc. of Florida.

Dear Mr. Friedman:

We have reviewed the minimum filing requirements (MFRs) submitted on July 13, 2020 on behalf of Utilities, Inc. of Florida (UIF or Utility). After reviewing this information, we find the MFRs to be deficient. The specific deficiencies are identified below:

1. Rule 25-30.110(2), Florida Administrative Code (F.A.C.), requires that the Minimum Filing Requirements shall be consistent and reconcilable with the Utility's annual reports. The following schedules in the MFRs do not reconcile to the Utility's annual reports.
 - a) MFR Schedule A-4, Schedule of Water and Wastewater Plant in Service, 2016-2019 year-end balances.
 - b) MFR Schedule A-5, Schedule of Water Plant in Service by Primary Account, page 2 of 2, 2018 and 2019 year-end balances.
 - c) MFR Schedule A-6, Schedule of Wastewater Plant in Service by Primary Account, page 4 of 4, 2018 and 2019 year-end balances.
 - d) MFR Schedule A-8, Schedule of Water and Wastewater Accumulated Depreciation, 2016-2019 year-end balances.
 - e) MFR Schedule A-9, Schedule of Water Accumulated Depreciation by Primary Account, page 2 of 2, 2018 and 2019 year-end balances.

- f) MFR Schedule A-10, Schedule of Wastewater Accumulated Depreciation By Primary Account, page 4 of 4, 2018 and 2019 year-end balances.
 - g) MFR Schedule A-11, Schedule of Water and Wastewater Contributions in Aid of Construction, 2016 and 2017 year-end balances.
 - h) MFR Schedule A-13, Schedule of Water and Wastewater Accumulated Amortization of Contributions in Aid of Construction, 2016 and 2017 year-end balances.
 - i) MFR Schedule A-18, Comparative Balance Sheet – Assets, pages 1 and 2, lines 11, 13, 25, and 26, column 2.
 - j) MFR Schedule A-19, Comparative Balance Sheet – Equity Capital & Liabilities, pages 1 and 2, lines 1, 4, 11, 17, 29, and 36, column 2.
 - k) MFR Schedule E-2, Revenue Schedule at Test Year Rates, Total Gallons Sold.
 - l) MFR Schedule F-1, All Water Systems.
 - m) MFR Schedule F-2, Eagle Ride, Labrador, LUSI Barrington, Marion, Pennbrooke, Summertree, and Tierra Verde.
2. Rule 25-30.437, F.A.C., requires that each Class A utility applying for a rate increase provide the information required by Commission Form PSC/ERC 19 (11/93), entitled “Class A Water and/or Wastewater Utilities Financial, Rate and Engineering Minimum Filing Requirements.” The following MFR schedules, as filed, do not comply with Rule 25-30.437, F.A.C. Please refile the following schedules to correct errors below.
- a. The following schedules do not reconcile to the support schedules specified in the MFRs.
 - i. Schedule A-1, line 19
 - ii. Schedule A-2, line 19
 - iii. Schedule A-4, line 20
 - iv. Schedule A-8, line 22
 - b. The format for Schedule E-14 shows one line per consumption level. Please provide one line per consumption level and reflect the total bills for the respective consumption level. In addition, there should not be any negative consumption levels in the billing analysis.
 - c. The following schedules do not reconcile to Schedule E-14.
 - i. Schedule E-2, page 5 of 16, line 28, column 6
 - ii. Schedule E-2, page 8 of 16, line 17, column 6
 - iii. Schedule E-2, page 8 of 16, line 21, column 6

- d. On Schedule E-14, for Tierra Verde's 6-inch meter, the cumulative bills and reverse bills are not calculating correctly.
 - e. Schedule E-4 provides the Utility's present and proposed rates. The present late payment charge, for both water and wastewater, is reflected incorrectly.
 - f. The following is missing from MFR Schedule F-1.
 - i. Note (3) for Bear Lake, Jansen, Little Wekiva, Oakland Shores, and Park Ridge.
 - ii. Excessive unaccounted for water (EUW) explanations for Lake Placid, Little Wekiva, LUSI Four Lakes, Marion, and Sanlando.
 - g. On MFR Schedule F-10 for Lake Placid, (1) 2018 "SFR Gallons Sold" amount is reported to be the same as 2019 "SFR Gallons Sold" amount, and does not match 2018 "SFR Gallons Sold" amount on Schedule F-9
3. Rule 25-30.440, F.A.C., requires a utility to file additional engineering information. For the following subsections of the Rule, the deficiencies for the identified systems apply.
- a. A detailed map showing: (a) The location and size of the applicant's distribution and collection lines as well as its plant sites, and (b) The location and respective classification of the applicant's customers.
 - i. Please provide the size of the collection line for the following systems:
 - 1. Sandalhaven
 - 2. Lake Placid
 - 3. Pennbrooke
 - 4. LUSI South
 - 5. Barrington
 - 6. Cross Creek
 - 7. Eagle Ridge
 - 8. Crownwood
 - 9. Summertree
 - 10. Labrador
 - 11. Mid County
 - 12. Tierra Verde
 - 13. Cypress Lake
 - 14. Weathersfield
 - 15. Longwood
 - 16. Sanlando
 - ii. Orangewood and Ravenna Park/Lincoln Heights/Phillips – Please provide the information referenced in subsections (1)(a) and (1)(b) of the rule.

- b. A list of chemicals used for water and wastewater treatment, by type, showing the dollar amount and quantity purchased, the unit prices paid and the dosage rates utilized.
 - i. Oranewood and Ravenna Park/Lincoln Heights/Phillips – Please provide the information referenced in subsection (2) of the rule.
- c. The most recent chemical analyses for each water system conducted by a certified laboratory covering the inorganic, organic turbidity, microbiological, radionuclide, secondary and unregulated contaminants specified in Chapter 62-550, F.A.C.
 - i. Oranewood and Ravenna Park/Lincoln Heights/Phillips – Please provide the information referenced in subsection (3) of the rule.
- d. All water and wastewater plant operating reports for the test year and the year preceding the test year.
 - i. Oranewood and Ravenna Park/Lincoln Heights/Phillips – Please provide the information referenced in subsection (4) of the rule.
- e. The most recent sanitary survey for each water plant and inspection report for each wastewater plant conducted by the health department or the Department of Environmental Protection (DEP).
 - i. Oranewood and Ravenna Park/Lincoln Heights – Please provide the information referenced in subsection (5) of the rule.
- f. All health department and DEP construction and operating permits.
 - i. Oranewood and Ravenna Park/Lincoln Heights/Phillips – Please provide the information referenced in subsection (6) of the rule.
- g. Any Notices of Violation, Consent Orders, Letters of Notice, or Warning Notices from the health department or the DEP in the previous five years.
 - i. Lake Saunders, Oranewood, and Ravenna Park/Lincoln Heights – Please provide the information referenced in subsection (7) of the rule.
- h. A list of all field employees, their duties, responsibilities, and certificates held, and an explanation of each employees' salary allocation method to the utility's capital or expense accounts.
 - i. All Systems – Please provide a list of each field employee's duties and responsibilities.
- i. Provide a list, by customer, of all complaints received during the test year, with an explanation of how each complaint was resolved.

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- i. Cross Creek, Eagle Ridge, Mid County, and Tierra Verde – Please provide all billing complaints received during the test year. If none were received, please provide a statement specifying that no billing complaints were received during the test year.

If any above corrections require a corresponding change to any other MFR schedules, those corrected schedules must also be submitted in accordance with Rule 25-30.436(4)(e), F.A.C. Your petition will not be deemed filed until the deficiencies identified in this letter have been corrected. These corrections should be submitted no later than September 4, 2020.

Sincerely,

Andrew L. Maurey

Andrew L. Maurey
Director

ALM:amn

cc: Division of Accounting and Finance (Bulecza-Banks, Fletcher, Norris)
Division of Auditing & Performance Analysis (Deamer, Glover)
Division of Economics (Draper, Hudson)
Division of Engineering (Ellis, King, Ramos)
Office of the General Counsel (Crawford, Trierweiler)
Office of Commission Clerk (Docket No. 20200139-WS)
Office of the Public Counsel