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February 28, 2024

Adam Teitzman, Clerk
Florida Public Service Commission

Re: Docket No. 20230113-SU; Application for staff assisted rate case in Orange County
by Gulfstream Utility, LLC

Dear Clerk Teitzman,

Attached as requested by staff is a copy the original cost study originally submitted as part of Exhibit J to Docket No. 20210191-SU in order to demonstrate the original cost rate base of the utility at the time of the approval of original wastewater certificate for this utility. We are filing this original cost study in order to establish rate base and to utilize this rate base as a starting point for the establishment of rates along with the additions in the most recent two years and the pro forma adjustments outlined in the utility's original SARC application. This cost study was prepared by Gary Morse on behalf of the utility as part of that original certificate application.

Should you or any members of the staff have any questions, please do not hesitate to contact me.

Sincerely,

/s/ F. Marshall Deterding

F. Marshall Deterding
Of Counsel

FMD/brf

Enclosures

Exhibit No.
Sun Communities
Gulf Stream Harbor Mobile Home Park - Wastewater System
Estimated Original Cost Less Depreciation at December 31, 2021

Line No.	NARUC Account	Description	Year Installed (2)	Age (Yrs.)	FPSC (3) Depreciation Rate (%)	Costing Method		Replacement Cost (5)	Estimated Original Cost	Accumulated Depreciation	Original Cost Less Accum. Depreciation	Annual Depreciation Expense
						Actual Invoice (4)	Trended					
1	351	Organization (Original Certificate Filing)			2.50%				65,250		65,250	1,631
2	353	Land and Land Rights (10.27 acres plant/po)	1980						\$98,726			
3	354	Structures and Improvements Two RIBs	1980	41.5	2.50%		1,700,000			Fully Depreciated		
4	360	Collection Sewers - Force Phase 1	1980	41.5	2.50%					Fully Depreciated		
5	360	Collection Sewers - Force Phase 2	1980	41.5	2.50%					Fully Depreciated		
6	361	Collection Sewers - Gravity Phase 1	1980	41.5	2.50%					Fully Depreciated		
7	361	Collection Sewers - Gravity Phase 2	1980	41.5	2.50%					Fully Depreciated		
8	361	Collection Sewers - Manholes Phase 1	1980	41.5	3.70%					Fully Depreciated		
9	361	Collection Sewers - Manholes Phase 2	1980	41.5	3.70%					Fully Depreciated		
10	363	Services to Customers Phase 1	1980	41.5	2.86%					Fully Depreciated		
11	363	Services to Customers Phase 2	1980	41.5	2.86%					Fully Depreciated		
12	364	Flow Measuring Devices	1980	41.5	20.00%					Fully Depreciated		
13	364	Flow Measuring Devices	2019	2.5	20.00%			3,764	1,882		1,882	753
14	371	Pumping Equipment-Lift Stations (Six)	1980	41.5	5.56%		1,650,000			Fully Depreciated		
15	371	Pumping Equipment-Lift Stations	2016	5.5	5.56%	Yes		7,131	2,181		4,951	397
16	371	Pumping Equipment-Lift Stations #2 Rehab	2021	0.5	5.56%	Budgeted		73,615	2,046		71,569	4,093
16	380	Treatment and Disposal Equipment 0.100 M.	1980	41.5	3.13%		400,000			Fully Depreciated		
17	380	Treatment and Disposal Equipment 0.100 M.	2017	4.5	3.13%	Yes		9,999	1,408		8,591	313
18	380	Treatment and Disposal Equipment 0.100 M.	2018	3.5	3.13%	Yes		159,233	17,444		141,789	4,984
19	380	Treatment and Disposal Equipment 0.100 M.	2019	2.5	3.13%	Yes		13,366	1,046		12,320	418
20	380	Treatment and Disposal Equipment 0.100 M.	2020	1.5	3.13%	Yes						
21	380	Treatment and Disposal Equipment 0.100 M.	2021	0.5	3.13%	Yes		22,272	349		21,923	697
22		Total Net Cost Plant In Service						<u>\$3,750,000</u>	<u>\$453,356</u>	<u>\$26,356</u>	<u>\$328,274</u>	<u>\$13,286</u>

Footnotes:

- (1) Based on Constuction Cost Indices at mid year for the test year and estimated year of installation.
- (2) As indicated in information provided by Sun Communities
- (3) Depreciation rates based on FPSC prescribed rates 25-30.140
- (4) Sun Communities was not able to obtain any actual invoices or support for the original plant investment from previous owner.
Therefore, the Company has prepared an original cost study to support the original plant investment. Some of the cost data was extracted from US Water records which is indicated by "Yes" and supported by vendor invoices.
- (5) Represents the estimated cost today for similar facilities based upon the replacement cost estimates provided by US Water Corp.
- (6) Actual land cost unknown, therefore estimated at \$15,000 per acre in 1980 based upon similar system in Orange County. See PSC Transfer Docket No. 991984-WS for discussion of land on page 8 where value of land in 1990 was \$17,931 per acre.

Exhibit No.
 Sun Communities -Gulfstream Harbor Mobile Home Park
Plant Land Value Esitmed at Time Placed In Service

Line No.	Annual CPI	Trended Value
1	Value Per Acre at Jan 1990	\$ 17,931
2	CPI 1989	4.67% \$ 17,094
3	CPI 1988	4.05% \$ 16,401
4	CPI 1987	1.46% \$ 16,162
5	CPI 1986	3.89% \$ 15,533
6	CPI 1985	3.53% \$ 14,985
7	CPI 1984	4.19% \$ 14,357
8	CPI 1983	3.71% \$ 13,824
9	CPI 1982	8.39% \$ 12,664
10	CPI 1981	11.83% \$ 11,166
11	CPI 1980	13.91% \$ 9,613
12	Plant site acreage	10.27
13	Value for 99-Year Lease	\$ 98,726
14	10% Annual Amount Expensed	\$ 9,873

Notes:

Annual inflation data from Inflationdata.com for January each year.

Value of land for from transfer docket no.991984 Order No. PSC-00-1675-PAA-WS issued September 19, 2000 at page 8. Copy is attached.