

ORIGINAL

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2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FLORIDA 32301

(850) 877-6555

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www.rsbatorneys.com

REPLY TO ALTAMONTE SPRINGS

CENTRAL FLORIDA OFFICE

600 S. NORTH LAKE BLVD., SUITE 160

ALTAMONTE SPRINGS, FLORIDA 32701

(407) 830-6331

FAX (407) 830-8522

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VALERIE L. LORD, OF COUNSEL

(LICENSED IN TEXAS ONLY)

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STEVEN T. MINDLIN, P.A.
DAREN L. SHIPPY
WILLIAM E. SUNDSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON

ROBERT M. C. ROSE, OF COUNSEL
WAYNE L. SCHIEFELBEIN, OF COUNSEL

March 25, 2003

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RECEIVED-FPSC
03 MAR 27 AM 10:12
COMMISSION
CLERK

RE: Docket No. 020407-WS; Cypress Lakes Utilities, Inc.
Application for Rate Increase in Polk County, Florida
Audit Control No. 01-350-3-2
Our File No. 30057.45

Dear Ms. Bayo:

In connection with the Commission's recent audit of the rate base, capital structure, and net operating income of the Applicant, Cypress Lakes Utilities, Inc., provides the following supplemental comments to the Staff's Audit Report and Exceptions:

Audit Exception No. 1:

In your response dated March 5th, the utility submitted capitalized labor reports showing the \$303. However, Staff does not consider this original supporting documentation. While this is not material, you would need the employee time sheets to support these amounts and what type of work was performed. Also, the utility submitted the third page of an invoice reflecting an invoice of \$5,316 from Hach Company. Alone this page does not contain sufficient information to allow staff to verify to what the invoice related. To be able to consider this cost for inclusion, Staff needs the complete invoice.

AUS _____
CAF _____
CMP _____
COM 5 **Response:** The information required to support the \$303 of capitalized time is not available.
CTR 5 However, a copy of the complete invoice supporting the \$5,316 from Hach Company has been
ECR _____
GCL _____
OPC _____
MMS _____
SEC 1
OTH _____

DOCUMENT NUMBER-DATE

02887 MAR 27 03

FPSC-COMMISSION CLERK

Ms. Blanca Bayo
March 25, 2003
Page 2

Should you have any questions concerning the enclosed, please do not hesitate to give me a call.

Very truly yours,



VALERIE L. LORD
Of Counsel

MSF:VLL/dmp
Enclosure

cc: Mr. Steven M. Lubertozi (w/o enclosure)
Mr. Donald W. Rasmussen (w/o enclosure)
Mr. David L. Orr, EI (w/o enclosure)
Mr. Jay Revell (w/enclosure)

CYPRESS LAKES UTILITIES, INC.
Additional Responses to Audit Control No. 02-350-3-2
Docket No. 020407-WS

Audit Exception No. 1:

In your response dated March 5th, the utility submitted capitalized labor reports showing the \$303. However, Staff does not consider this original supporting documentation. While this is not material, you would need the employee time sheets to support these amounts and what type of work was performed. Also, the utility submitted the third page of an invoice reflecting an invoice of \$5,316 from Hach Company. Alone this page does not contain sufficient information to allow staff to verify to what the invoice related. To be able to consider this cost for inclusion, Staff needs the complete invoice.

Response: The information required to support the \$303 of capitalized time is not available. However, a copy of the complete invoice supporting the \$5,316 from Hach Company has been located. Please see the attached copy of the invoice.



PLEASE RETURN ONLY ONE COPY OF THIS TOP PORTION OF THE INVOICE WITH PAYMENT TO:

HACH COMPANY
DEPARTMENT 198
DENVER, CO 80281-0198

INVOICE TOTAL: 5315.80

Visit us at our Web Site:
* HTTP://WWW.HACH.COM *
* *

21726849 000372409 00000531580 110499

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UTILITY INC OF FLORIDA
200 WEATHERSFIELD AVE
ALTAMONTE SPRINGS, FL 32714

RECEIVED
NOV 08 1999
BY:

JOE KUHNS
CYPRESS LAKES WASTE WATER
10000 N US HWY 98
LAKELAND, FL 33809 000

INVOICE NO.	2172684	DATE:	11/04/99
PURCHASE ORDER NUMBER	672		
TERMS	NET 30 DAYS FROM INVOICE DATE		
FREIGHT	PREPAY AND BILL CUSTOMER FOB AMES, IOWA, USA		
CARRIER	UPS GROUND SERVICE		
ACCOUNT	037240-011	Remit to: HACH COMPANY Department 198 Denver, CO 80281-0198 Phone: (800) 227-4224	
HACH REF. NO.	1166018-00		

These commodities are sold, packaged, marked and labeled for destinations in the United States. Exportation of these commodities may require special licensing, packaging, marking or labeling.

PRODUCT DESCRIPTION **ITEM NO.** **QUANTITY** **UNIT PRICE** **EXTENDED AMOUNT**

-- MATERIAL SHIPPED --

HACH MODEL CL/17 TOTAL CHLORINE ANALYZER FOR RESIDUAL CHLORINE IN A RANGE OF 0-5 MG/L. COMPLETE WITH 1 MONTH REAGENT SUPPLY, WALL MOUNTING KIT, REGULATOR AND INSTRUCTION MANUAL.	4678002	1	2500.00000	2500.00
SULFURIC ACID, 19.2N 100ML MDB KIT, MAINTENANCE CL17	203832 4721600	2 1	9.50000 71.75000	19.00 71.75
HACH MODEL 1720D PROCESS TURBIDITY-METER NETWORK SYSTEM IS CAPABLE OF TRACKING TURBIDITY LEVELS AS LOW AS 0.001 NTU. THE NEW DESIGN OFFERS FEATURES SUCH AS REDUCED STRAY LIGHT, FASTER RESPONSE TIME STABLE READINGS, REMOTE MONITORING UP TO 400 METERS, MULTIPLE SENSOR CAPABILITIES W/EASY TO USE ON SCREEN PROMPTING AT A REDUCED OVERALL SYSTEM COST. ORDER POWER CORD SEPERATLEY IF NEEDED	5200100	1	1795.00000	1795.00



PLEASE RETURN ONLY ONE COPY OF THIS TOP PORTION OF THE INVOICE WITH PAYMENT TO:

HACH COMPANY
DEPARTMENT 198
DENVER, CO 80281-0198

INVOICE TOTAL: 5315.80

Visit us at our Web Site:
* HTTP://WWW.HACH.COM *
* *

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PAGE 2

UTILITY INC OF FLORIDA
200 WEATHERSFIELD AVE
ALTAMONTE SPRINGS, FL 32714

RECEIVED
NOV 08 1999
BY: _____

JOE KUHNS
CYPRESS LAKES WASTE WATER
10000 N US HWY 98
LAKELAND, FL 33809 000

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PRODUCT DESCRIPTION	ITEM NO.	QUANTITY	UNIT PRICE	EXTENDED AMOUNT
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-- CONTINUED --

STABLCAL CALIB SET, 1720 SERIES TURBIDIMETERS <0.1 & 20 NTU 1L EA	2659600	1	82.50000	82.50
STABLCAL CALIB SET, 1720 SERIES TURBIDIMETERS <0.1 & 1 NTU 1L EA	2748800	1	82.50000	82.50
POCKET TURBIDIMETER ANALYSIS SYS CE APPROVED 100ML OF CALIBRATION RGTS INCL.	5260000	1	450.00000	450.00

-- ITEMS ON BACKORDER --

RECORDER, 10" ROUND CHART DUAL PEN HONEYWELL MODEL DR4302	5162900	1	975.00000	
--	---------	---	-----------	--

(727) 787-7978
GARY ARMSTRONG
JOE KUHNS
BRITTANY NASH

SUBTOTAL	5000.75
SHIPPING CHARGES	15.00
FLORIDA 6.00%	300.05

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PAGE 3

UTILITY INC OF FLORIDA
200 WEATHERSFIELD AVE
ALTAMONTE SPRINGS, FL 32714

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- CONTINUED -

INVOICE TOTAL

MD
5315.80

go to
3466094

HACH COMPANY, A DELAWARE CORPORATION FEDERAL TAX ID #42-0704420

1-00