

State of Florida

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Public Service Commission

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DATE: June 9, 2003
TO: Division of Commission Clerk and Administrative Services
FROM: Tony Sargent, Professional Accountant, Division of Economic Regulation JS
RE: Docket No. 021228-WS - application for staff assisted rate case in Brevard County by Service Management Systems, Inc.

The attached letter was sent to the Division of Economic Regulation. Please include it in the official docket file for Docket No. 021228-WS.

Thank you.

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FLORIDA PUBLIC SERVICE COMMISSION
ROSE, SUNDSTROM & BENTLEY, LLP
2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FLORIDA 32301

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DIVISION OF
ECONOMIC REGULATION

(850) 877-6555
FAX (850) 656-4029
www.rsbatorneys.com

CENTRAL FLORIDA OFFICE
600 S. NORTH LAKE BLVD., SUITE 160
ALTAMONTE SPRINGS, FLORIDA 32701
(407) 830-6331
FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.
VALTRIE L. LORD, OF COUNSEL
(LICENSED IN TEXAS ONLY)

CHRIS H. BENTLEY, P.A.
ROBERT C. BRANNAN
DAVID F. CHESTER
F. MARSHALL DETERDING
JOHN R. JENKINS, P.A.
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. SCHIFFELBEIN, OF COUNSEL

June 6, 2003

Marshall Willis, CPA
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Service Management Systems, Inc.; PSC Docket No. 021228-WS
Application for Staff Assisted Water and Sewer Rate Increase in Brevard County
Our File No. 36082.01

Dear Marshall:

We have recently received the preliminary staff report in the above-referenced case and we are currently reviewing it. We have several concerns with the assumptions underlying the staff proposed adjustments, and we will be providing you with a response and concerns with that staff report in the very near future. We have requested a copy of the workpapers from the audit, because some of the issues require that we specifically understand how the staff arrived at the substantial used and useful, and accumulated depreciation adjustments. Once we have received those, we should be able to provide a response to the initial staff report within approximately 10 working days.

Should you have any questions in this regard, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP



F. Marshall Deterding
For The Firm

FMD\tms

cc: Ralph Jaeger, Esquire
Troy Rendell
Denise Vandiver
Jim Bates
Robert Frazier, Esquire
Marty Sadkin
Robert C. Nixon, CPA

indian\4willis.ltr