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TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

December 16, 2003

Mr. Martin S. Friedman
Rose, Sundstrom & Bentley, LLP
600 S. North Lake Boulevard, Suite 160
Altamonte Springs, FL 32701

Re: Docket No. 030446-SU, Application for rate increase in Pinellas County by Mid-County Services, Inc.

Dear Mr. Friedman:

We have reviewed the minimum filing requirements (MFRs) submitted on November 17, 2003, on behalf of the above mentioned utility. After reviewing this information, we find the MFRs to be deficient. The specific deficiencies are identified below:

1. Rule 25-30.436(4)(h), Florida Administrative Code (F.A.C.), requires that any system that has costs allocated or charged to it from a parent, in addition to those reported on Schedule B-12 of Commission Form PSC/WAW 20, shall file three copies of additional schedules showing additional information as detailed in the rule. The document that the utility submitted did not reflect all of the information that is required by this rule. The utility failed to include the following items of this rule:
 - (3) The allocation or direct charging method used and the basis for using that method; and
 - (4) The work papers used to develop the allocation method, including but not limited to the numerator and denominator of each allocation factor.
2. Pursuant to Order No. PSC-00-2388-AS-WU, issued December 13, 2000, Utilities, Inc. (UI), agreed to provide a cross reference for its general ledger account numbers to the National Association of Regulated Commission Uniform System of Accounts primary account numbers. Staff notes that we have received a cross reference to Docket No. 020407-WS in connection with the staff discussion regarding UI's books and records. However, that document did not include references for all operation and maintenance expense accounts, particularly materials and supplies and miscellaneous expenses. Please submit a complete copy which cross references all accounts for this docket.

AUS	_____
CAF	_____
CMP	_____
COM	_____
CTR	_____
ECR	_____
GCL	_____
OPC	_____
MMS	_____
SEC	_____
OTH	_____

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Rule 25-30.437, F.A.C., requires that each Class A utility applying for a rate increase shall provide the information required by Commission Form PSC/ECR 19-W (11/93), entitled "Class A Water and/or Wastewater Utilities Financial, Rate and Engineering Minimum Filing Requirements". Numbers 3-11 of the following list are deficiencies pursuant to this rule.

3. Schedule A-3, Schedule of Adjustments to Rate Base
Schedule A-6, Schedule of Wastewater Plant in Service By Primary Account
Schedule A-10, Schedule of Wastewater Accumulated Depreciation By Primary Account
Schedule B-14, Net Depreciation Expense - Wastewater

Pro forma adjustments have to be reflected by primary account on these schedules. Also, if the amount in the account is subject to a used and useful adjustment, the used and useful adjustment has to be made to the pro forma adjusted balance. The utility has not done this.

4. Schedule B-3, Schedule of Adjustments to Operating Income

The explanation for this schedule requires that the utility provide a detailed description of all adjustments to operating income per books. The utility needs to explain the addition to Amortization Expense on this schedule.

5. Schedule B-8, Operation & Maintenance Expense Comparison - Wastewater

Line 28 of this schedule requires the use of Equivalent Residential Connections (ERCS), not Customer Equivalents (CEs). Please provide a statement that the utility has in fact used ERCs. If the utility has used CEs, provide the appropriate comparison of ERCs as required.

6. Schedule B-15, Taxes Other Than Income

Please provide the calculation for the non used and useful property tax and pro forma property tax adjustment.

7. Schedule C-6, Accumulated Deferred Income Taxes - Summary

Please provide an explanation stating whether the negative numbers are debit or credit balances.

8. Schedule F-6, Used and Useful calculations

The instructions for this schedule requires the utility to provide all calculations, analyses and governmental requirements used to determine the used and useful percentages. The utility's used and useful calculation does not address infiltration and inflow. Please provide all calculations used to support 0% infiltration and inflow.

9. Schedule F-8, Margin Reserve Calculations

The instructions for this schedule requires the utility to provide all calculations and analyses used to determine the amount of margin reserve for each portion of used and useful plant. None of the components have been provided. Please provide all supporting calculations for the components reflected on this schedule with the exception of post test year period per statute.

10. Schedule F-10, Equivalent Residential Connections-Wastewater

This schedule requires that the utility provide a variety of information in order to calculate the average growth in ERCs for the last five years, including the test year. Specifically, Columns 5, 6 & 7 require the utility to provide the total amount of SFR Gallons Treated, Gallons/SFR, and Total Gallons Treated. Columns 5, 6, & 7 are blank for this utility. Please provide the information necessary to complete this schedule.

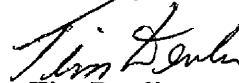
11. As required by Rule 25-30.431(2)(c) & (3), F.A.C., provide the following data: a linear regression analysis using average ERCs for the last five years, and a wastewater capacity analysis report for the utility, respectively.

12. If any corrections to the above deficiencies require a corresponding change to any schedules, those corrected schedules must also be submitted.

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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 January 16, 2004.

Sincerely,



Tim Devlin
Director

TD:jr

cc: Division of Commission Clerk and Administrative Services
Office of the General Counsel (Holley)
Division of Economic Regulation (Willis, Merchant, Revell, Edwards)