

ORIGINAL

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON



OFFICE OF THE GENERAL COUNSEL
RICHARD D. MELSON
GENERAL COUNSEL
(850) 413-6199

Public Service Commission

July 27, 2004

RECEIVED-FPSC
JUL 27 PM 3:12
COMMISSION
CLERK

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

Re: Docket No. 030443-WS – Application for Rate Increase in Pasco County by Labrador Utilities, Inc.

Marty
Dear ~~Mr. Friedman~~:

By this letter, the Commission staff requests that Labrador Utilities, Inc., provide responses to the following data requests.

1. For each individual person in each firm providing consulting services to the applicant pertaining to this docket, please provide the billing rate and an itemized description of work performed. Please provide detail of hours worked associated with each activity. Also, please provide a description and associated cost for all expenses incurred to date.
2. For each firm or consultant providing services for the applicant in this docket, please provide copies of all invoices for services provided to date.
3. If rate consultant invoices are not broken down by hour, please provide, by hour, a detailed description of actual duties performed and expenses incurred to date.
4. For each Utilities, Inc. or Water Services Corp. employee who performs work at a cost that will be recorded as rate case expense for this docket, please provide a copy of all time sheets supporting those costs with a breakdown by job function performed, including the hourly rate charged.
5. Please provide an estimate of costs to complete the case, by hour, for each consultant or employee, including a description of estimated work to be performed and detail of the estimated remaining expense to be incurred through the PAA process.
6. Please provide an itemized list of all other costs estimated to be incurred through the PAA process.

CMP _____
 COM _____
 CTR _____
 ECR _____
 GCL _____
 OPC _____
 MMS _____
 RCA _____
 SCR _____
 SEC 1 _____
 OTH _____

DOCUMENT NUMBER DATE
 08159 JUL 27 08
 FPSC-COMMISSION CLERK

7. Please provide a list of all plant improvements in service, by date and primary account, made in 2002 and 2003. Please describe whether the proper retirement entries have been made and include all adjusting journal entries and the basis for calculating the amounts to be retired.
8. The following items relate to the pro forma plant additions requested on Schedule A-3 of the MFRs. For each pro forma plant item, please provide the following:
 - a. A detailed description of the item, including its purpose and a statement as to why it should be considered in this rate case. Please explain (1) whether the plant item is new or a replacement of an existing asset and (2) whether the plant addition will provide additional capacity or is necessary to provide service only to the existing customers.
 - b. A copy of all signed contracts directly related to the addition of each plant project and the projected in-service date for each project.
 - c. All retirement entries, as well as the methodology and calculations used to calculate the retirement of any items that are replacements for existing plant.
9. Please explain why negative balances exist in accumulated depreciation for Accounts Nos. 304.2 and 333.4 for water and Account Nos. 354.2 and 360.2 for wastewater.
10. Within the last year, has the utility considered or discussed whether the capacity of the water or wastewater treatment plant will need to be increased during the next five years? If so, please provide the utility's conclusions and the basis for those conclusions.
11. Please describe the extent to which the utility's service territory is "built out" and whether there is any potential for expansion.
12. On Schedules B-5 and B-6 (Line 1, Column 14), the utility made adjustments of \$11,289 and \$24,226 to Salaries & Wages – Employees. Please explain why these adjustments were made.
13. Please provide invoices for all legal fees associated with Accounts Nos. 633 and 733, Contractual Services – Legal. Please explain why these amounts were expensed and indicate whether the amounts are recurring or non-recurring. If any of these amounts are amortized, please provide the amortization period and explain why the utility believes that period is appropriate.
14. Please provide a breakdown of the amount and description, by sub-category, of the items included in Materials and Supplies and Miscellaneous Expenses.

15. Please provide a list of all amortized amounts expensed during the test year, identifying the expense account in which they are recorded and the amortization period. Please explain why each amortization period identified is appropriate.
16. Please refer to page W-13 of the utility's 2003 Annual Report. Specifically, the utility reported three 2" meters in its calculation of water system meter equivalents. Please respond to the following concerning these meters:
 - a. For each 2" meter reported, please provide: (1) the meter address or physical location; (2) the customer name (including utility or affiliates); and (3) the type of customer (e.g., Gen. Service). For each meter that has no customer of record, please explain why there is no customer of record (e.g., unbilled customer).
 - b. Does the utility have access to consumption data for water passing through any or all of these meters? If so, please provide the following information, **by month, for each meter** for which consumption data exists during the test year: (1) 2" meter location; (2) month/year; and (3) Kgals through meter. For each 2" meter for which the utility has no consumption data, please explain why no consumption data exists (e.g., unbilled customer).
 - c. Are any of these meters serving customers (including unbilled customers) other than those reported on either Minimum Filing Requirements (MFR) Schedule E-14 or on MFR Schedule E-2?
17. Please refer to page 13 of Order No. PSC-01-1483-PAA-WS, issued July 16, 2001, in Docket No. 000545-WS (the utility's original certificate case). Specifically, the Order states that the Mobile Home Park (MHP) is served through two 6" master meters and the RV Resort (RVR) is served by one 6" master meter. Please respond to the following concerning these meters:
 - a. Was the information contained in the above-referenced Order correct at that time? If so, is the information contained in the above-referenced Order still correct?
 - b. If this information is not now correct, please explain why.
 - c. If this information is still correct, please provide the following information for each 6" meter discussed in the above-referenced Order: (1) the meter address or physical location; (2) the customer name (including utility or affiliates); and (3) the type of customer (e.g., Gen. Service). For each meter that has no customer of record, please explain why there is no customer of record (e.g., unbilled customer).

- d. Does the utility have access to consumption data for water passing through any or all of these meters? If so, please provide the following information, **by month, for each meter** for which consumption data exists during the test year: (1) 6" meter location; (2) month/year; and (3) Kgals through meter. For each 6" meter for which the utility has no consumption data, please explain why no consumption data exists (e.g., unbilled customer).
 - e. Are any of these meters serving customers (including unbilled customers) other than those reported on either Minimum Filing Requirements (MFR) Schedule E-14 or on MFR Schedule E-2?
18. If the response to either 16.c. or 17.e. is affirmative, please revise and refile MFR Schedules E-14, E-2, and E-1. Please remember that the information presented on revised Schedule E-2 must correspond to the information presented on revised Schedule E-14, and that the information presented on revised Schedule E-1 must correspond to the information presented on revised Schedule E-2.

Please submit the requested information to the undersigned staff counsel by Wednesday, August 11, 2004. Please feel free to call me at (850) 413-6193 if you have any questions.

Sincerely,



Wm. Cochran Keating IV
Senior Attorney

WCK:jb

cc: Kathryn G. W. Cowdery
Division of Economic Regulation (Merchant, Edwards, Greene, Lingo)
Division of the Commission Clerk and Administrative Services (Docket File)