

ORIGINAL

STATE OF FLORIDA

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW



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

Public Service Commission

March 13, 2006

RECEIVED-FPSC
06 MAR 15 PM 2:35
COMMISSION
CLERK

Mr. Anthony Staiano, President
Park Water Company, Inc.
25 1st Avenue North
Lake Wales, FL 33853

Re: Docket No. 050563-WU; Engineering Field Audit of Park Water Company for a Staff Assisted Rate Case in Polk County.

Dear Mr. Staiano:

This letter is to confirm my telephone conversation, with Mr. Kevin Egan regarding my engineering field investigation at Park Water Company Inc., on Monday through Wednesday, March 20 – 22, 2006. For the engineering portion of this rate case, staff requires that several items be completed prior to my field audit to ensure fast, expedient treatment of your rate case. Please have the following information for the period of January 1, 2004 to December 31, 2004 (test year) ready and available for the investigation on March 20, 2006.

1. Employees Salaries and Wages

CMP _____ List of all the field employees, their duties and responsibilities, certificates held, salary and explanation of how allocated to utility. A short personal interview with the available employees will help expedite the investigation.
COM _____

2. Purchased Power

CTR _____
ECR _____
GCL _____ Copies of all utility related electricity bills from the beginning of the test year to present which include meter number and location, kilowatts used, dollars paid, and electric company's account numbers.
DPC _____
RCA _____

3. Chemicals

SCR _____
IGA _____ A list of all chemicals used in the treatment of water, quantity purchased, unit prices paid, dosage rates utilized and copies of all invoices.
EC _____
TH _____

DOCUMENT NUMBER-DATE
02257 MAR 15 06
FPSC-COMMISSION CLERK

4. Material and Supplies

Total cost along with copies of invoices for purchased parts, materials and supplies used in the operation and maintenance of the water system during the test year.

5. Contractual Services – Billing/Reading the Meter

Copies of the monthly costs associated with billing customers or reading the meters if such work is not performed by employees of the utility.

6. Contractual Services – Professional

Provide copies of all invoices for the cost of accounting, legal and engineering if such work is not performed by employees of the utility.

7. Contractual Services – Testing

A list of tests along with costs paid to outside laboratories for testing the water treatment during the test year. In addition, include copies of all invoices.

8. Contractual Services – Other

Provide copies of invoices and a schedule showing the costs of operation and maintenance work not performed by utility employees. These costs include the operator's fee, mowing and ground keeping and contracted repair for the water system.

9. Transportation Expenses

The schedule of all vehicles by serial number and description, owned or leased by the utility, original cost or lease documents, who assigned to, and an explanation of how allocated to the utility, or a copy of log book showing miles on personal vehicles associated with utility business. All vehicles are to be available for inspection.

10. Copies of monthly operation reports for the water from January 1, 2003 to December 31, 2005 (end of the test year) which includes:

FOR WATER	- Design flow, maximum flow, average flow, and chlorine residual (average)
-----------	--

11. Copy of Monthly totals of metered water sold to water customers for each month of the test year.

12. A written summary, by permit number, of all Department of Environmental Protection and/or County Health Department permits.

13. If any plant addition or deletion has been or will be made due to a written order from a governmental agency, please provide a copy of that order.
14. A list of all service complaints received during test year and an explanation of how each was resolved.
15. A listing (engineering plans) of all assets owned by the utility.

Example: 250" – 8" PVC (Water)
 23" – 4" DIP (Water)

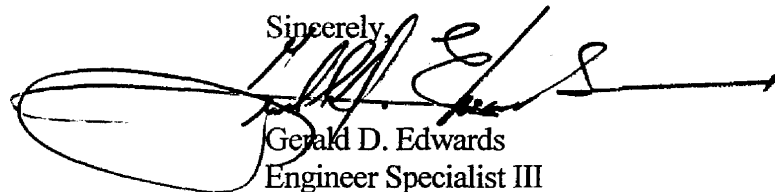
17. Provide a detail schedule showing the number of customers classified as to meter size and class (commercial or residential) for the following points in time:
 - (a) A minimum of 4 years prior to the beginning of the test (or calendar last) year.
 - (b) The beginning of the last calendar year.
 - (c) The end of the last calendar year
 - (d) Present

18. Please provide a detail schedule of all plant pro forma and include the following: the type of plant addition, a description of the plant addition, the date of installation, the date of anticipated completion, quantity, list all costs related to each item. In addition, provide copies of all estimates acquired from vendors. (See example below)

Name	Description	Install Date	Completion Date	Qty.	Cost	Purpose
Hydrant	Fire hydrant	06/06/2006	06/06/2006	9	\$750.00 ea.	Replacements

The afternoon of the first day of investigation, March 20, 2006, is to be set aside to tour the utility's water treatment plant, the distribution system, and the residential and commercial customer service areas. Please have someone (lead operator, chief maintenance person, or an assigned person with access to the plant) available for this tour. Commission practices dictate that this docket be processed within the statutory time frame, therefore, your full cooperation would be appreciated.

If you have any questions, do not hesitate to call me at (850) 413-7001.

Sincerely,

 Gerald D. Edwards
 Engineer Specialist III

cc: Division of Economic Regulation (Rendell, Hudson, Revell)
 Office of the General Counsel (Jaeger)
 Division of the Commission Clerk and Administrative Services (Dkt. No. 05056-0000) (U)