

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water and)
 wastewater rates in Alachua, Brevard,)
 Highlands, Lake, Lee, Marion, Orange, Palm)
 Beach, Pasco, Polk, Putnam, Seminole,)
 Sumter, Volusia, and Washington Counties)
 by Aqua Utilities Florida, Inc.)
 _____)

Docket No. 060368-WS

Dated: March 26, 2007

AQUA UTILITIES FLORIDA, INC.'S
 SUMMARY OF RESPONSES TO
STAFF'S SECOND DEFICIENCY LETTER

Aqua Utilities Florida, Inc. ("AUF") hereby files its Summary of Responses to Staff's Second Deficiency Letter dated February 26, 2007 from Timothy Devlin, Director, Division of Economic Regulation, to Kenneth Hoffman, counsel for AUF. The Summary provides a recap of all information and documents filed and served by AUF in response to each identified deficiency in AUF's Minimum Filing Requirements ("MFRs") as set forth in the February 26, 2007 letter. For ease of reference, the deficiency list set forth in Staff's February 26, 2007 letter is repeated verbatim herein, with AUF's response referenced immediately following each item.

1. Schedule F-6, Used and Useful calculations for the wastewater treatment plant(s).
 The instructions for this schedule require the utility to provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the wastewater treatment plant(s).

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

The Utility did not provide its inflow and infiltration (I&I) calculation for Leisure Lakes in Highlands County or Village Water in Polk County.

Response: See AUF's Notice of Filing Responses to Accounting Deficiencies Nos. 1, 2, 4, 5 and 6 of Staff's Second Notice of Accounting Deficiencies, filed March 26, 2007. AUF's Response to Deficiency No. 1 includes an attachment, and states as follows:

DOCUMENT NUMBER-DATE

02597 MAR 26 08

FPSC-COMMISSION CLERK

See attached revised F-6 schedules that now show a calculation for I&I. Please note that Village Water Sewer had referenced an incorrect cell and does not have an I&I adjustment. This change of course is reflected on schedule F-6.

2. Schedule F-5, Used and Useful calculations for the water treatment plant(s). This is for all systems with water treatment plant(s).

The instructions for this schedule require the utility to provide all calculations, analyses and governmental requirements used to determine the used and useful percentages for the water treatment plant(s).

- For Piney Woods in Lake County – the Schedule F-5 indicates there is one well. However, there are two wells for this system. This is verified by the map, which shows the existence of two wells. The date for Spring Lake Manor is missing.
- For Silver Lake Estates/Western Shores in Lake County – the Schedule F-5 indicates there is one well. However, there are three wells for this system. This is verified by the map, which shows the existence of three wells. The sanitary survey indicates there are two wells at Silver Lake and one well at Western Shores. The data for all three wells is missing.

Response: See AUF's Notice of Filing Responses to Accounting Deficiencies Nos. 1, 2, 4, 5 and 6 of Staff's Second Notice of Accounting Deficiencies, filed March 26, 2007. AUF's Response to Deficiency No. 2 includes an attachment, and states as follows:

See attached revised F-5 schedules and amended schedules resulting from Schedule F-5 changes.

3. Rule 25-30.440(1), F.A.C., requires that each utility applying for a rate increase shall provide two copies of the following engineering information to the Commission, with the exception of item (1) of which only one copy is required.

Rule 25-30.440(1), F.A.C., requires the utility to provide a detailed map, (a) showing the location and size of the applicant's distribution and collection lines as well as its plant sites; and, (b) and the location and respective classification of the applicant's customers.

- a. The maps for Ridge Meadows in Marion County and Venetian Village (wastewater) in Lake County do not show the respective classification of the applicant's customers.

- b. The map for South Seas in Lee County does not indicate the size of the applicant's collection lines.
- c. There was no map for the wastewater system of Venetian Village.

Response: See AUF's Fourth Notice of Filing Revised System Maps, filed March 26, 2007, pursuant to which AUF filed one original of each of the following revised maps:

- a. Ridge Meadows. There are no commercial accounts in this system, only residential. Therefore, the map does not show commercial customers.
 - b. South Seas. Due to the small size of the font, the map was printed as two maps.
 - c. Venetian Village.
4. Rule 25-30.440(4), F.A.C., requires the utility to provide all water and wastewater operating reports for the test year and the year preceding the test year.
- a. The applicant did not provide any water or wastewater operating reports for the following systems:
 - o Leisure Lakes in Highland County;
 - o Holiday Haven in Lake County – no water MOR;
 - o Valencia Terrace in Lake County – no wastewater DMR for May, 2004;
 - o Valencia Village in Lake County – wastewater DMR for April, 2004 missing flow data.
 - b. The applicant did not provide water operating reports for January through May, 2005 for Lake Josephine in Highlands County.
 - c. The applicant did not provide water operating reports for January through June, 2005 for Sebring Lakes in Highlands County.
 - d. The applicant did not provide wastewater operating reports for May, 2005 for Morningview in Lake County.
 - e. The applicant did not provide water operating reports for January through December, 2004 or January through August, 2005 for Sebring Lake Manor in Lake County.

- f. The applicant did not provide water operating reports for October, 2004 for Skycrest in Lake County.
- g. The applicant did not provide any wastewater operating reports for Village Water in Polk County.

Response: See AUF's Notice of Filing Responses to Accounting Deficiencies Nos. 1, 2, 4, 5 and 6 of Staff's Second Notice of Accounting Deficiencies, filed March 26, 2007. AUF's Response to Deficiency No. 4 includes an attachment, and states as follows:

The applicable operating reports are attached hereto.

- 5. Rule 25-30.440(5), F.A.C., requires the utility to provide the most recent sanitary survey for each water plant and inspection report for each wastewater plant conducted by the health department or the Department of Environmental Protection (DEP).
 - a. The applicant did not provide any wastewater inspection reports for Leisure Lakes or Sebring Lakes in Highlands County or Village Water in Polk County.
 - b. The applicant did not provide any sanitary survey for the following systems:
 - o Leisure Lakes in Highlands County,
 - o Sebring Lakes in Highlands County,
 - o Imperial Mobile Terrace in Lake County,
 - o Palms in Lake County,
 - o Spring Lake Manor in Lake County.

Response: See AUF's Notice of Filing Responses to Accounting Deficiencies Nos. 1, 2, 4, 5 and 6 of Staff's Second Notice of Accounting Deficiencies, filed March 26, 2007. AUF's Response to Deficiency No. 5 includes an attachment, and states as follows:

- a. Sebring Lakes is water only. We are unable to locate the latest DEP inspection for Leisure Lakes but have attached the latest response by Aqua to DEP's 2005 inspection. The inspection report for Village Water is attached.
- b. Requested Sanitary Survey Reports are attached.

6. Rule 25-30.440(7), F.A.C., requires the utility to provide any Notice of Violations, Consents Orders, Letter of Notice or Warning Notices from the health department or the DEP since the utility's last rate case or the previous five years, whichever is less.

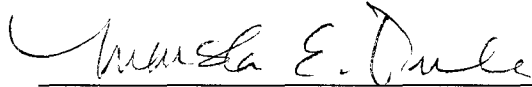
Attached to the MFR deficiency letter dated January 2, 2007, was a listing of specific engineering deficiencies listed by system name and county. Staff identified several systems where this information was deficient. The applicant has not provided copies of the required documents or a statement there are no such documents for the following systems in Lake County:

- Holiday Haven – water and wastewater
- Morningview – water and wastewater
- Palms - water
- Picciola Island - water
- Piney Woods – water
- Quail Ridge – water
- Ravenswood – water
- Silver Lake Estates/Western Shores – water
- Skycrest – water
- Stone Mountain – water
- Valencia Terrace – water and wastewater
- Venetian Village – water and wastewater

Response: See AUF's Notice of Filing Responses to Accounting Deficiencies Nos. 1, 2, 4, 5 and 6 of Staff's Second Notice of Accounting Deficiencies, filed March 26, 2007. AUF's Response to Deficiency No. 6 states as follows:

We are not aware of any Consent Orders, Notice of Violations or Warning Notices for any of these water and/or wastewater systems.

Respectfully submitted this 26th day of March, 2007.



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ATTORNEYS FOR AQUA UTILITIES
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by hand delivery this 26th day of March, 2007, to the following:

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