

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: June 21, 2007

COMMISSION
CLERK

07 JUN 21 PM 2:23

RECEIVED-FPSC

**AQUA UTILITIES FLORIDA, INC.'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Aqua Utilities Florida, Inc. ("AUF") by and through its undersigned counsel and pursuant to §367.156, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, hereby files this Request for Confidential Classification of certain documents and information as set forth below. As grounds for its request, AUF states as follows:

1. AUF filed its application for rate relief in this docket on December 1, 2006. Thereafter, Commission Staff initiated an audit of AUF's application, in connection with which Staff requested, and AUF provided, a number of documents.

2. As set forth more specifically below, certain information and documents provided by AUF in response Staff's audit requests contain or constitute proprietary confidential business information. Accordingly, AUF claimed confidential classification at the time it provided such
CMP _____
COM _____ documents to Staff. The Commission therefore maintains such documents in a temporary
CTR _____ confidential status for 21 days after the conclusion of the Staff audit. Pursuant to Rule 25-
ECR _____ 22.006(3)(a), Florida Administrative Code, this Request is filed within 21 days from June 1,
GCL | 2007, the date identified by Staff as the conclusion of its audit.¹
OPC _____

3. The following Exhibits are included with and made a part of this Request:

a. Public Exhibit "A," which consists of the redacted version of the documents for which AUF requests confidential classification;

OTH | cont _____
records See letter from Lynn Deamer to Kathy Pape dated June 1, 2007.

DOCUMENT NUMBER-DATE

04991 JUN 21 07

FPSC-COMMISSION CLERK

- b. Confidential Exhibit "B," which consists of the original unredacted version of Public Exhibit "A," with confidential information highlighted in yellow. Confidential Exhibit "B" is submitted separately in a sealed envelope marked "CONFIDENTIAL;"
 - c. Exhibit "C," which is a table containing the justification for confidential classification for the information highlighted in yellow in Confidential Exhibit "B" and identifies the statutory basis for each claim of confidentiality; and
 - d. Exhibit "D," which is the Affidavit of Kathy L. Pape.
4. Section 367.156, Florida Statutes, provides that information which meets certain criteria is exempt from public disclosure under §119.07, Florida Statutes. Pursuant to §367.156, confidential proprietary business information is defined as follows:

(3) Proprietary confidential business information means information, regardless of form or characteristics, which is owned or controlled by the person or company, is intended to be and is treated by the person or company as private in that the disclosure of the information would cause harm to the ratepayers or the person's or company's business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or administrative body, or a private agreement that provides that the information will not be released to the public. Proprietary business information includes, but is not limited to:

- (a) Trade secrets.
- (b) Internal auditing controls and reports of internal auditors.
- (c) Security measures, systems, or procedures.
- (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the utility or its affiliates to contract for goods or services on favorable terms.
- (e) Information relating to competitive interests, the disclosure of which would impair the competitive businesses of the provider of the information.
- (f) Employee personnel information unrelated to compensation, duties, qualifications, or responsibilities.

5. AUF seeks confidential protection for the information highlighted in Confidential Exhibit "B" for the reasons set forth in this Request and the attachments hereto, including the

Affidavit of Kathy L. Pape. The highlighted information is proprietary confidential business information within the meaning of §367.156(3)(d) and (e), Florida Statutes. The information is intended to be, and has been, treated by AUF as confidential.

6. Specifically, the highlighted information found on Pages 1 and 2 of Confidential Exhibit “B” is confidential because it reveals details about compensation for particular employee positions. AUF must compete with other businesses to attract and retain personnel on terms that are favorable to its ratepayers. Disclosure of current salary levels, compensation philosophy and comparative salary information as shown on Confidential Exhibit “B” would impair the competitive business interests of AUF as well as AUF’s ability to attract and retain personnel for those positions on favorable terms. This information, if disclosed, would provide other employers with valuable information regarding AUF’s internal salary costs and cost structure, giving such competitors an artificial advantage in their ability to compete with AUF for employee services and disadvantaging AUF and its ratepayers. *See* §§367.156(3)(d) and (e), Florida Statutes.²

7. Further, disclosure of this information would be an unwarranted intrusion into the privacy interests of the particular personnel listed therein. The Commission also should consider the real and valid privacy concerns presented by publication of employee names and associated

² The Commission has granted confidential classification to employee compensation information. *See, e.g.*, Order No. PSC-04-0193-CFO-TP (personnel salary information); Order No. PSC-05-0626-PCO-EI (employee compensation); Order No. PSC-02-1755-CFO-GU (base pay and total compensation information); Order No. PSC-02-0050-PCO-EI (employee benefit and compensation information); Order No. PSC-03-1280-CFO-EI (compensation for particular employee positions); Order No. PSC-02-1612-PCO-GU (payroll and incentive compensation information), where the Commission granted confidentiality pursuant to §366.093 or 364.183, Florida Statutes, both of which specify, in language identical to that found in §367.156(3)(f), that the term proprietary confidential business information “includes, but is not limited to . . . (f) Employee personnel information unrelated to compensation, duties, qualifications or responsibilities.” These recent orders demonstrate that employee compensation information may be granted confidential classification where – as here – the utility demonstrates that its disclosure would impair the company’s efforts to contract for services on favorable terms, or impair its competitive business.

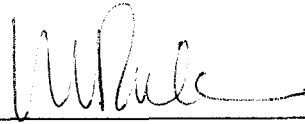
salaries. With identity theft on the rise, the Commission should avoid needlessly exposing this sensitive information, particularly when it will be readily available to the Commission, its Staff, and Public Counsel for use in this case.

8. The highlighted information on Page 3 of Confidential Exhibit "B" is confidential pension valuation information which relates to AUF's competitive interests. Disclosure of this information would impair AUF's competitive interests; impair the company's efforts to contract for goods or services on favorable terms; and cause harm to the ratepayers or the company's business operations. This information has not been disclosed unless disclosed pursuant to a statutory provision, an order or a court or administrative body, or a private agreement that provides that the information will not be released to the public. Additionally, dissemination of the information is expressly prohibited under the terms of the report.

9. Upon a finding that the information highlighted in Exhibit "B" is proprietary confidential business information, such information should not be declassified for a period of at least eighteen months pursuant to §367.156, Florida Statutes, and should be returned to AUF as soon as the information is no longer necessary for the Commission to conduct its business.

WHEREFORE AUF respectfully requests that the Commission grant this Request for Confidential Classification.

Respectfully submitted this 21st day of June, 2007.



Kenneth A. Hoffman, Esquire
Marsha E. Rule, Esquire
Rutledge, Ecenia, Purnell & Hoffman, P.A.
215 South Monroe St., Suite 420
Tallahassee, FL 32301
850.681.6788 (telephone)
850.681.6515 (facsimile)

ATTORNEYS FOR AQUA UTILITIES
FLORIDA, INC.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Notice and attached Responses was served by hand delivery this 21st day of June, to the following:

Florida Public Service Commission
Rosanne Gervasi, Esq.
Katherine E. Fleming, Esq.
Ralph Jaeger, Esq.
2450 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Office of the Public Counsel
Stephen C. Reilly, Esq.
Stephen Burgess, Esq.
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400



Marsha E. Rule

PUBLIC EXHIBIT "A"
(REDACTED)

KW
4/25/07

AQUASOURCE
 ANALYSIS OF SERVICE BILLING BRYN MAWR
 TEST YEAR ENDED DECEMBER 31, 2005
 KATHY WELCH
 January 30, 2007
 SOURCE: REQ. 10 AND 1

Description: Conf. Payroll Comparison

COL 1 COL 2 COL 3 COL 4

NAME	HOURS				
1 ACCOUNTS PAYABLE	4				ACCOUNTING 200.64%
2 ADAMS, DAN	138				RATE CASES 228.84%
3 ANZALDO, STEVEN	4				ACCOUNTING 149.97%
4 BAKER, MICHELLE	2				HUMAN RESOURCES 332.39%
5 BERKOWITZ, LARISSA	3				HUMAN RESOURCES 220.69%
6 BONEBRAKE, KELLY	3				HUMAN RESOURCES 217.62%
7 BROUSSARD, SUSAN	7				MANAGEMENT 183.56%
8 BROWN, CANDICE	39				ACCOUNTING 194.39%
9 BUBEL, MARK	41				FL FRUITVILLE WWTP 187.66%
10 BUBEL, MARK	3				FL LAKE JOSEPHINE WTP 187.66%
11 BUBEL, MARK	2				GENERAL CAPITAL 187.66%
12 BURNS, KELLY	4				MANAGEMENT 234.92%
13 BURROUGHS, PATRICIA	4				2004 SARASOTA RATE CASE 227.43%
14 BURROUGHS, PATRICIA	32				2005 FLORIDA RATE CASE 227.43%
15 BURROUGHS, PATRICIA	68				RATE CASES 227.43%
16 CHUKINAS, JAMES	29				MANAGEMENT 159.90%
17 CUMMINGS, BARBARA	5				SHAREHOLDER 430.81%
18 CURETON, KESHA	14				ENVIRONMENTAL COMPLIANCE 238.92%
19 DAVENPORT, LARRY	1				MANAGEMENT 240.93%
20 DAVENPORT, LARRY	10				MANAGEMENT 240.93%
21 DEBENEDICTIS, NICHOL	5				MERITAGE 21.72%
22 DELEON, LISA	4				OFFICER 243.76%
23 FALCONE, SUZANNE	3				ACCOUNTING 243.76%
24 FINNICUM, LARRY	48				MANAGEMENT #DIV/0!
25 FINNICUM, LARRY	1				2004 AQUA FLORIDA RATE CASE #DIV/0!
26 GORDIANY, MARIA	6				ACCOUNTING #DIV/0!
27 GREEN, WILLIAM	8				MANAGEMENT 258.24%
28 GWIRTZ, KENNETH	8				INFORMATION 216.47%
29 HANSEN, CHERYL	7				INFORMATION 194.00%
30 HUGUS, RICHARD	34				SHAREHOLDER 152.88%
31 HUMPHREY, TODD	8				OFFICER 170.10%
32 IERDON, WILLIAM	4				INFORMATION 189.72%
33 JOHNS, MARK	11				ACCOUNTING 219.77%
34 KLEIN, SHARON	7				MERITAGE 187.58%
35 KUPAY, ANY	7				HUMAN RESOURCES 174.14%
36 LABARBARA, JOSEPH	4				ACCOUNTING 192.71%
37 LUITWEILER, PRESTON	13				HUMAN RESOURCES 230.19%
38 LUNNING, CHRISTOPHEI	28				OFFICER 159.57%
39 MAENZA, TERRY	5				LEGAL 183.45%
40 MALWITZ, LESLIE	4				SHAREHOLDER 252.75%
41 MARABELLA, FRAN	4				HUMAN RESOURCES 227.70%
42 MARCONI, MICHAEL	8				ACCOUNTING 209.98%
43 MAREK, PETER	128				INFORMATION 231.29%
44 MARINO, ROSEMARY	14				RATE CASES 213.20%
45 MARLOWE, MARGIE	4				ACCOUNTING 215.50%
46 MCCAULEY, GREG	19				ACCOUNTING 316.23%
47 MCGUIRE, TOM	7				ACCOUNTING 219.92%
48 MCWILLIAMS, GREG	7				ACCOUNTING 198.88%
49 MELCHIORRE, DOLORES	3				ACCOUNTING 206.00%
50 MELTON, BRIAN	3				HUMAN RESOURCES 228.58%
51 MENYO, MELISSA	1				MANAGEMENT 181.16%
52 MEYER, JAMES	3				HUMAN RESOURCES 196.93%
53 MORALES, SEBASTIAN	6				MANAGEMENT 223.36%
54 MOSHER, LISA	4				ACCOUNTING 222.08%
55 NEWTON, DAVID	58				MANAGEMENT 202.82%
56 NICHOLS, LISA	8				MANAGEMENT 207.51%
57 NOREILLY, MIKE	13				INFORMATION 194.34%
58 PACKO, MARGIA	8				MANAGEMENT 197.20%
59 PANETTA, CARRIE	3				INFORMATION 234.24%
60 PAPE, KATHY	6				HUMAN RESOURCES 221.58%
61 PARYOLL DEPARTMENT	6				OFFICER 197.89%
62 PERALES, JORGE	1				ACCOUNTING 195.71%
63 PERALES, JORGE	1				FINANCIAL SYSTEM POWER 140.80%
64 PERALES, JORGE	5				INFORMATION 140.80%
65 PERALES, JORGE	5				LAWSON PORTAL 140.80%
66 PETERS, ERIC	4				LAWSON PURCHASING 140.80%
67 PISZKER, WILLIAM	8				INFORMATION 229.70%
68 PRAHAR, LESLIE	26				OFFICER 212.24%
69 PURTILL, CHRISTOPHER	7				ACCOUNTING 261.69%
70 RIEGLER, RICHARD	3				SHAREHOLDER 215.66%
71 ROSS, GINA	3				OFFICER 145.43%
72 RUBIN, ROBERT	7				HUMAN RESOURCES 508.00%
73 RYAN, ROBYN	38				OFFICER 154.70%
74 SABATINI, ROBERT	4				ACCOUNTING 201.50%
75 SCHLEGEL, LYNN	4				MANAGEMENT 231.67%
76 SCHREYER, JACK	8				HUMAN RESOURCES 291.67%
77 SCHREYER, JACK	12				2004 AQUA FLORIDA RATE CASE 187.70%
78 SCIARRETTA, LAUREN	3				2005 FLORIDA RATE CASE 187.70%
79 SINGARI, VIJAY	8				HUMAN RESOURCES 190.32%
80 SLATCHER, LINDA	5				INFORMATION 189.27%
81 SWELTZER, DAVID	4				ACCOUNTING 158.86%
82 SMITH, GLORIA	2				OFFICER 162.23%
83 SPOLLEN, FRANK	7				HUMAN RESOURCES 339.37%
84 STAHL, ROY	6				MANAGEMENT 228.10%
85 WALLO, CAROLINE	4				OFFICER 94.81%
86 WHITE, MATTHEW	4				ACCOUNTING 216.62%
87 WHITEMAN, JESSIE	3				HUMAN RESOURCES 207.40%
88	5				HUMAN RESOURCES 430.67%
89 Brian Heath	8				NORTH FL AREA OP MANAGER
90 Michael Davis	8				UTILITY TECH S FL
91 Lila Baxter	8				CUSTOMER SERVICE REP
92 John Haring	8				PLANT OPERATOR
93 Carolyn McFalls	72				STATEWIDE COMPLIANCE OFFICER
94 John Livitreck	8				STATE VICE PRESIDENT OF OP
95 Glenn Labrecque	8				STATE VP OF OPERATIONS
96 Patricia Frazer	16				CUSTOMER SERVICE REP
97 Dianna Stegler	8				SUPERVISOR BILLING AND CUST. SERVICE
98 Lynn Turner	36				AP AND PR PROCESSOR

(A) 50-1/4-2
 (B) 50-1/4-17

CONFIDENTIAL

#91

Aqua Utilities Florida, Inc.
Rate Case Audit
TYE: 12/31/05
ACN: 06-347-1-1 Dkt: 060368-WS

Description: Overhead Comp

AQUA UTILITIES
ANALYSIS OF PAYROLL OVERHEADS
TEST YEAR ENDED DECEMBER 31, 2005
KATHY L. WELCH
12-Apr-07

COL	COL	COL	COL	COL	COL	COL	COL	COL	COL	COL	COL	COL	COL
1	2	3	4	5	6	7	8	9	10	11	12	13	14

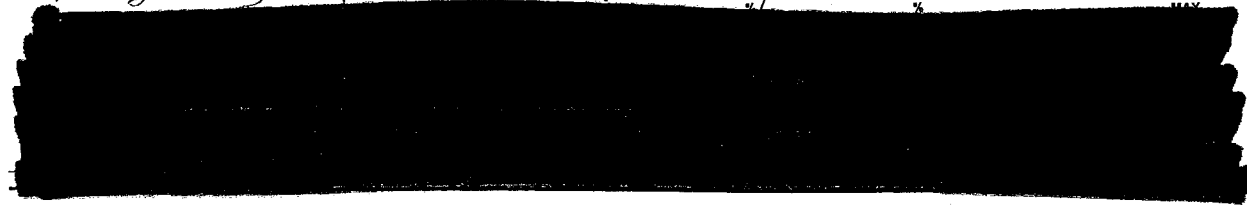
COL 7

COL 50-4

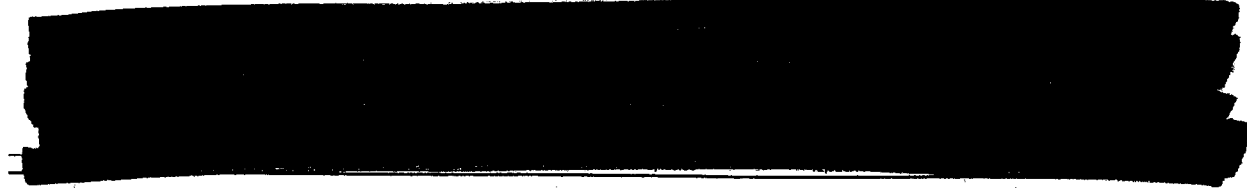
2-1

COLS

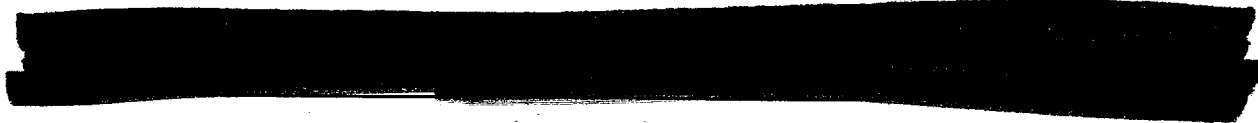
- 1 PATRICIA BURROUGHS
- 2 DAVID NEWTON
- 3 ROBYN RYAN
- 4 NICK DEBENEDICTIS
- 5 MARK BUBEL
- 6 KATHY PAPE
- 7 SANDYA MAHESH
- 8 CHRIS LUNNING



- 9 BELT ROCHELLE J.
- 10 BYRNES, DOLORES X.
- 11 GATLING, CAROLE L.
- 12 JACKSON CHERYL D.
- 13 LATINI, BARBARA A.
- 14 MILLER-SMITH, ANNETTE
- 15 SLATCHER, LINDA B
- 16 AP CLERK



- 17 JONES, XAVIERA O.
- 18 MCLEER, COLLEEN M.
- 19 PAYROLL ASSISTANT
- 20 SUPER, MARY E.



CONFIDENTIAL

50-4
2-

Page 2

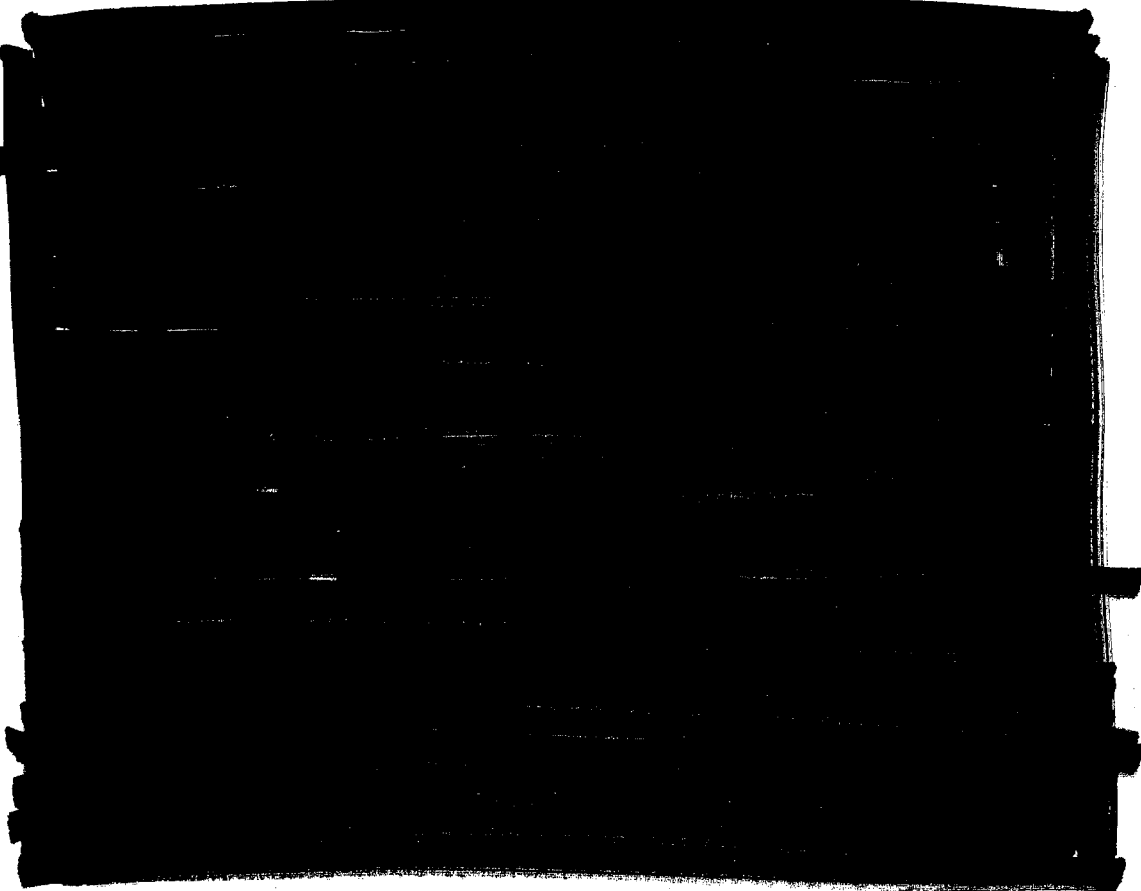
Source: Reg 111

PBC

Aqua Utilities Florida, Inc.
Rate Case Audit
Historical Year Ended December 31, 2005
Dkt 060368-WS; ACN 06-347-1-1
Description: ~~Pension Cost~~

ICW
4/26/07

MS-1



This will be needed when the analyst receives benefit info to determine reasonableness of the rate for pension

Source: Reg 1

CONFIDENTIAL

Page 3

50-4
2-4
1

CONFIDENTIAL FILING

Exhibit "B"

EXHIBIT "C"

Page No.	Description	Column And Line No.	Fla. Stat. §367.156(3) Subsection	Justification
1	Analysis of Service Billing Bryn Mawr	Cols. 1-4, Lines 1-98	(d)(e)	<p>The highlighted material is confidential information, the disclosure of which would impair AUF's efforts to contract for goods or services on favorable terms.</p> <p>The highlighted material is confidential information relating to competitive business interests, the disclosure of which would impair the competitive interests of the provider/owner of the information.</p> <p>Disclosure of this information would be an unwarranted intrusion into the privacy interests of the particular personnel listed therein.</p> <p>Additionally, the definition of "proprietary confidential business information" found in §367.156(3), F.S, "includes, but is not limited to" items listed in subsections (a)-(f). AUF asserts that the highlighted material is information owned and controlled by AUF, is intended to be and is treated as private in that the disclosure of the information would cause harm to the ratepayers or the company's business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order or a court or administrative body, or a private agreement that provides that the information will not be released to the public.</p>
Page 2	Analysis of Payroll Oveheads	Cols. 1-14, Lines 1-20	(d)(e)	<p>The highlighted material is confidential information, the disclosure of which would impair AUF's efforts to contract for goods or services on favorable terms.</p>

				<p>The highlighted material is confidential information relating to competitive business interests, the disclosure of which would impair the competitive interests of the provider/owner of the information.</p> <p>Disclosure of this information would be an unwarranted intrusion into the privacy interests of the particular personnel listed therein.</p> <p>Additionally, the definition of “proprietary confidential business information” found in §367.156(3), F.S, “includes, but is not limited to” items listed in subsections (a)-(f). AUF asserts that the highlighted material is information owned and controlled by AUF, is intended to be and is treated as private in that the disclosure of the information would cause harm to the ratepayers or the company’s business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order or a court or administrative body, or a private agreement that provides that the information will not be released to the public.</p>
3	Pension Cost	All	(d)(e)	<p>The highlighted material is confidential information, the disclosure of which would impair AUF’s efforts to contract for goods or services on favorable terms.</p> <p>The highlighted material is confidential information relating to competitive business interests, the disclosure of which would impair the competitive interests of the provider/owner of the information.</p> <p>Additionally, the definition of “proprietary confidential business</p>

				<p>information” found in §367.156(3), F.S, “includes, but is not limited to” items listed in subsections (a)-(f). AUF asserts that the highlighted material is information owned and controlled by AUF, is intended to be and is treated as private in that the disclosure of the information would cause harm to the ratepayers or the company’s business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order or a court or administrative body, or a private agreement that provides that the information will not be released to the public. Further, dissemination of the information to third parties is expressly prohibited under terms of the report.</p>
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EXHIBIT "D"

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: June ____, 2007

AFFIDAVIT OF KATHY L. PAPE

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF MONTGOMERY

I, Kathy L. Pape, being first duly sworn, do hereby depose and state as follows:

1. I am an attorney for Aqua Utilities Florida, Inc. ("AUF"), and Vice President, Treasurer and Rate Counsel for Aqua America, Inc., Aqua Utilities' parent company.

2. I have reviewed Public Exhibit "A" and Confidential Exhibit "B" to AUF's Request for Confidential Classification of certain information provided in response to Staff Audit Requests.

3. The highlighted information on pages 1 and 2 of Confidential Exhibit "B" is confidential because it reveals details about compensation for particular employee positions. AUF must compete with other businesses to attract and retain personnel on terms that are favorable to its ratepayers. Disclosure of current salary levels, compensation philosophy and comparative salary information as shown on pages 1 and 2 of Confidential Exhibit "B" would impair the competitive business interests of AUF as well as AUF's ability to attract and retain personnel for those positions on favorable terms. This information, if disclosed, would provide other employers with valuable information regarding AUF's internal salary costs and cost structure, giving such competitors an artificial advantage in their ability to compete with AUF for employee services and disadvantaging AUF and its ratepayers. Further, disclosure of this information would be an unwarranted intrusion into the privacy interests of the particular personnel listed therein.

4. The highlighted information on Page 3 of Confidential Exhibit "B" is confidential pension valuation information which relates to AUF's competitive interests. Disclosure of this information would impair AUF's competitive interests; impair the company's efforts to contract for goods or services on favorable terms; and cause harm to the ratepayers or the company's business operations. This information has not been disclosed unless disclosed pursuant to a statutory provision, an order or a court or

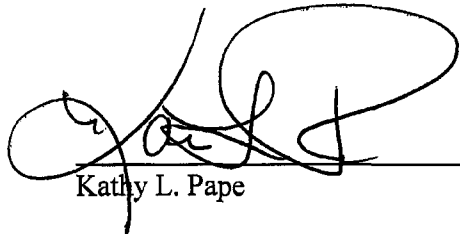
Exhibit "D"

administrative body, or a private agreement that provides that the information will not be released to the public. Additionally, dissemination of the information is expressly prohibited under the terms of the report.

5. The highlighted information in Confidential Exhibit "B" is intended to be, and has been, treated by AUF as confidential, and it has not been previously disclosed.

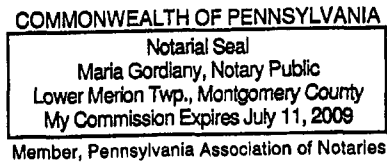
6. Consistent with the provisions of the Florida Administrative Code, the confidential documents and materials should remain confidential for a period of no less than eighteen (18) months. Further, the documents should be returned to AUF as soon as the information is no longer necessary for the Commission to conduct its business so that AUF can continue to maintain the confidentiality of these documents.

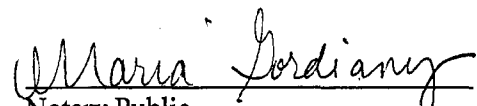
Further Affiant sayeth naught.



Kathy L. Pape

SWORN TO AND SUBSCRIBED before me this 21st day of June, 2007, by Kathy L. Pape, who () is personally known to me; or () who has presented proper identification.




Notary Public,
Commonwealth of Pennsylvania
Commission Number: 1167867
My Commission expires: 7/11/09

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: 6/21/07
 TO: Mrs. Lull / Rutledge
 FROM: Ruth Nettles, Division of the Commission Clerk &
 Administrative Services
 RE: **Acknowledgment of Receipt of Confidential Filing**

This will acknowledge receipt of a **CONFIDENTIAL DOCUMENT** filed in Docket No. 060368-WS or (if filed in an undocketed matter) concerning certain information/documents provided by AuF in response to Audit, and filed on behalf of AuF. The document will be maintained in locked storage.

Any questions regarding this matter should be directed to Marguerite Lockard at (850) 413-6770.

I:\Confid\ackconf.doc

PSC/CCA019-C(Rev 12/06)

CONFIDENTIAL
 DOCUMENT NUMBER-DATE
 04992 JUN 21 07
 FPSC-COMMISSION CLERK