

Ruth Nettles

090462-WS

From: Assistant 1 [A1@RSBattorneys.com]
Sent: Friday, March 05, 2010 12:47 PM
To: Filings@psc.state.fl.us
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Subject: 090462-WS : Utilities, Inc. of Florida
Attachments: PSC Clerk 07 (Response to Deficiencies).docx.pdf

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- b) Docket No. 090462-WS
Utilities, Inc. of Florida's Application for an Increase in Water and Wastewater Rates in Marion, Orange, Pasco, Pinellas and Seminole County, Florida
- c) Utilities, Inc. of Florida
- d) 8 pages
- e) Response to Staff's February 25, 2010 letter identifying Deficiencies in the MFRs

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March 5, 2010

E-FILING

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 090462-WS; Utilities, Inc. of Florida's Application for an Increase in Water and Wastewater Rates in Marion, Orange, Pasco, Pinellas and Seminole County, Florida
Our File No.: 30057.179

Dear Ms. Cole:

The following are the Utility's responses to the Commission Staff's February 25, 2010, correspondence identifying deficiencies in the MFRs:

1. Schedule A-18, Comparative Balance Sheet Assets

Per MFR, column 14 for Cash, Accounts Receivable, Misc. Current and Accrued Assets, and Other Utility Plant Adjustments does not reconcile with F-1 on the 2008 Annual Report. Pursuant to Rule 25-30.110, F.A.C., please provide the reconciliation of the balances in the 2008 Annual Report with the balances shown on MFR Schedule A-18.

Response: Please see the attached exhibit entitled, "Reconciliation of Comparative Balance Sheet Items from MFR to Annual Report".

2. Schedule B-9, Contractual Services

Contractual Services total for the Test Year Books for 2008 does not match the balance recorded in the 2008 Annual Report. Pursuant to Rule 25-30.110, F.A.C., please provide

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Ann Cole, Commission Clerk
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the reconciliation of the balances in the 2008 Annual Report with the balances shown on MFR Schedule B-9.

Response: Please see the attached exhibit entitled, "Reconciliation of Contractual Services on MFRs and Annual Report".

3. Schedule E-3, Customer Monthly Billing Schedule

The beginning year and ending year number of customers per books for 2008 does not match the balance recorded on W-9 and S-9 of the 2008 Annual Report. Also, for Water, the total number of meters listed on W-13 is inconsistent with the number of water customers. Pursuant to Rule 25-30.110, F.A.C., please provide the reconciliation of the balances in the 2008 Annual Report with the balances shown on MFR Schedule E-3

Response: The annual report may include inactive as well as active accounts. The 2008 customer count used in the MFR reflects billing records and is the proper basis for this filing.

Should you have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,



CHRISTIAN W. MARCELLI
For the Firm

CWM
Enclosures

cc: Steven M. Lubertozzi, Executive Director of Regulatory Accounting and Affairs (w/encs.)
Ms. Kirsten Weeks (w/encs.)
Patrick C. Flynn, Regional Director (w/encs.)
John Williams, Director of Government Affairs (w/encs.)
Mr. Frank Seidman (w/encs.)
Ms. Deborah Swain (w/encs.)
Bart Fletcher, Division of Economic Regulation (w/encs.)

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Utilities, Inc. of Florida
 Reconciliation of Comparative Balance Sheet Items from MFR to Annual Report
 Docket No. 090462-WS

Cash		
Account Number and Name	12/31/2008 Balance	
2640 - CASH-CHASE-WSC DISBURSEMENT	76,778	
2650 - CASH-WSC PETTY CASH-CHASE	3,000	
Amount Reported on MFR Schedule A-18		<u>79,778</u>
ADD:		
2665 - CASH UNAPPLIED	10,040	
Amount Reported on Annual Report (F-1)		<u>89,818</u>

Accounts Receivable		
Account Number and Name	12/31/2008 Balance	
2665 - CASH UNAPPLIED	10,039.63	
2675 - A/R-CUSTOMER TRADE CC&B	343,857.37	
2680 - A/R-CUSTOMER ACCRUAL	161,744.79	
2685 - A/R-CUSTOMER REFUNDS	(6,311.86)	
2690 - ACCUM PROV UNCOLLECT ACCTS	8,800.00	
Amount Reported on MFR Schedule A-18		<u>518,130</u>
LESS:		
2665 - CASH UNAPPLIED	10,039.63	
Amount Reported on Annual Report (F-1)		<u>508,090</u>

Misc. Current and Accrued Assets		
Account Number and Name	12/31/2008 Balance	
2755 - INVENTORY	0.03	
2775 - SPECIAL DEPOSITS	4,070.00	
2795 - PREPAID REIMBURSEMENTS	16,565.06	
Amount Reported on MFR Schedule A-18		<u>20,635</u>
LESS:		
2755 - INVENTORY	0.03	
2775 - SPECIAL DEPOSITS	4,070.00	
2795 - PREPAID REIMBURSEMENTS	16,565.06	
ADD:		
2620 - UTIL PLANT ACQUIRED/DISPOSED	3,622.75	
Amount Reported on Annual Report (F-1)		<u>3,623</u>

Other Utility Plant Adjustments		
Account Number and Name	12/31/2008 Balance	
2400 - UTILITY PAA WTR PLANT AMORT	477,038	
2410 - UTILITY PAA SWR PLANT AMORT	24,512.00	
2420 - ACC AMORT UTIL PAA-WATER	(63,172.29)	
2425 - ACC AMORT UTIL PAA-SEWER	(6,872.73)	
Amount Reported on MFR Schedule A-18		<u>431,505</u>
ADD:		
2620 - UTIL PLANT ACQUIRED/DISPOSED	3,622.75	
Amount Reported on Annual Report (F-1)		<u>435,128</u>

Utilities Inc. of Florida
 Reconciliation of Contractual Services on MFRs and Annual Report
 Docket No. 090462

Marion County

Object Account Number	Object Account Name	Amount of Contractual Service Reported	
		Total W/S on MFR	Total W/S on Annual Report
5495	METER READING	4,084.34	4,084.34
5735	COMPUTER MAINTENANCE	2,507.28	2,507.28
5745	COMPUTER AMORT & PROG COST	77.95	77.95
5750	INTERNET SUPPLIER	46.50	46.50
6005	ACCOUNTING STUDIES	8.00	8.00
6010	AUDIT FEES	361.38	361.38
6015	EMPLOY FINDER FEES	291.13	291.13
6020	ENGINEERING FEES	(0.02)	(0.02)
6025	LEGAL FEES	362.10	362.10
6035	PAYROLL SERVICES	156.40	156.40
6040	TAX RETURN REVIEW	268.84	268.84
6045	TEMP EMPLOY - CLERICAL	651.73	651.73
6050	OTHER OUTSIDE SERVICES	266.59	266.59
6255	TEST-WATER	-	1,550.00
6260	TEST-EQUIP/CHEMICAL	-	157.83
6270	TEST-SEWER	-	1,629.00
6380	REPAIRS & MAINT-MAINT, LAND	-	3,768.33
Total Contractual Services		<u>9,082.22</u>	<u>16,187.38</u>

The difference of \$7,105.16 comes from the Marion County water and sewer portions of object accounts 6255, 6260, 6270 and 6380. In the Annual Report, the balances in these object accounts were included in the NARUC accounts for Contractual Services .

Pinellas County

Object Account Number	Object Account Name	Amount of Contractual Service Reported	
		Total W/S on MFR	Total W/S on Annual Report
5495	METER READING	4,092.95	4,092.95
5735	COMPUTER MAINTENANCE	2,757.72	2,757.72
5745	COMPUTER AMORT & PROG COST	88.46	88.46
5750	INTERNET SUPPLIER	61.42	61.42
6005	ACCOUNTING STUDIES	10.89	10.89
6010	AUDIT FEES	463.50	463.50
6015	EMPLOY FINDER FEES	208.04	208.04
6020	ENGINEERING FEES	375.00	375.00
6025	LEGAL FEES	443.57	443.57
6035	PAYROLL SERVICES	191.80	191.80
6040	TAX RETURN REVIEW	354.15	354.15
6045	TEMP EMPLOY - CLERICAL	992.02	992.02
6050	OTHER OUTSIDE SERVICES	381.14	381.14
6255	TEST-WATER		938.00
6260	TEST-EQUIP/CHEMICAL		183.54
6265	TEST-SAFE WATER DRINKING		321.00
6270	TEST-SEWER		347.00
6375	OUTSIDE LAB FEES-LAB, LAND		107.00
6380	REPAIRS & MAINT-MAINT, LAND		5.42
Total Contractual Services		<u>10,420.66</u>	<u>12,322.62</u>

The difference of \$1,901.96 comes from the Pinellas County water portions of object accounts 6255, 6260, 6265, 6270, 6375 and 6380. In the Annual Report, the balances in these object accounts were included in the NARUC accounts for Contractual Services.

Seminole

Object Account Number	Object Account Name	Amount of Contractual Service Reported	
		Toatal W/S on MFR	Total W/S on Annual Report
5495	METER READING	(14.84)	(14.84)
5735	COMPUTER MAINTENANCE	16,941.51	16,941.51
5745	COMPUTER AMORT & PROG COST	518.65	518.65
5750	INTERNET SUPPLIER	317.94	317.94
6005	ACCOUNTING STUDIES	54.08	54.08
6010	AUDIT FEES	2,472.11	2,472.11
6015	EMPLOY FINDER FEES	1,936.55	1,936.55
6020	ENGINEERING FEES	0.01	0.01
6025	LEGAL FEES	2,469.53	2,469.53
6035	PAYROLL SERVICES	1,062.33	1,062.33
6040	TAX RETURN REVIEW	1,817.46	1,817.46
6045	TEMP EMPLOY - CLERICAL	4,467.68	4,467.68
6050	OTHER OUTSIDE SERVICES	1,845.17	1,845.17
6255	TEST-WATER		10,402.50
6260	TEST-EQUIP/CHEMICAL		1,441.09
6265	TEST-SAFE WATER DRINKING		310.00
6270	TEST-SEWER		120.00
6375	OUTSIDE LAB FEES-LAB, LAND		810.00
6380	REPAIRS & MAINT-MAINT, LAND		28.89
	Total Contractual Services	33,888.18	47,000.66

13,112.48

The difference of \$13,112.48 comes from the Seminole County water and sewer portions of object accounts 6255, 6260, 6265, 6270, 6375 and 6380. In the Annual Report, the balances in these object accounts were included in the NARUC accounts for Contractual Services .

Orange County

Object Account Number	Object Account Name	Amount of Contractual Service Reported	
		Total W/S on MFR	Total W/S on Annual Report
5495	METER READING	(1.10)	(1.10)
5735	COMPUTER MAINTENANCE	1,281.26	1,281.26
5745	COMPUTER AMORT & PROG COST	38.25	38.25
5750	INTERNET SUPPLIER	24.17	24.17
6005	ACCOUNTING STUDIES	4.02	4.02
6010	AUDIT FEES	187.24	187.24
6015	EMPLOY FINDER FEES	145.83	145.83
6025	LEGAL FEES	187.85	187.85
6035	PAYROLL SERVICES	80.35	80.35
6040	TAX RETURN REVIEW	136.26	136.26
6045	TEMP EMPLOY - CLERICAL	337.81	337.81
6050	OTHER OUTSIDE SERVICES	141.29	141.29
6255	TEST-WATER	-	2,135.00
6260	TEST-EQUIP/CHEMICAL	-	223.25
6265	TEST-SAFE WATER DRINKING	-	430.00
6375	OUTSIDE LAB FEES-LAB, LAND	-	100.00
6380	REPAIRS & MAINT-MAINT, LAND	-	2.15
Total Contractual Services		<u>2,563.23</u>	<u>5,453.63</u>

The difference of \$2,890.40 comes from the Marion County water and sewer portions of object accounts 6255, 6260, 6265, 6375, and 6380. In the Annual Report, the balances in these object accounts were included in the NARUC accounts for Contractual Services .

Orange County

Object Account Number	Object Account Name	Amount of Contractual Service Reported	
		Total W/S on MFR	Total W/S on Annual Report
5495	METER READING	23,885.68	23,885.68
5735	COMPUTER MAINTENANCE	17,374.93	17,374.93
5745	COMPUTER AMORT & PROG COST	531.77	531.77
5750	INTERNET SUPPLIER	323.60	323.60
6005	ACCOUNTING STUDIES	55.09	55.09
6010	AUDIT FEES	2,518.31	2,518.31
6015	EMPLOY FINDER FEES	2,017.52	2,017.52
6020	ENGINEERING FEES	0.06	0.06
6025	LEGAL FEES	2,522.17	2,522.17
6035	PAYROLL SERVICES	1,084.85	1,084.85
6040	TAX RETURN REVIEW	1,849.57	1,849.57
6045	TEMP EMPLOY - CLERICAL	4,508.28	4,508.28
6050	OTHER OUTSIDE SERVICES	1,871.11	1,871.11
6255	TEST-WATER	-	1,199.00
6260	TEST-EQUIP/CHEMICAL	-	1,957.25
6265	TEST-SAFE WATER DRINKING	-	745.00
6270	TEST-SEWER	-	274.00
6375	OUTSIDE LAB FEES-LAB, LAND	-	15,536.00
6380	REPAIRS & MAINT-MAINT, LAND	-	1,187.63
6400	SEWER RODDING	-	1,575.00
6410	SLUDGE HAULING	-	203.00
Total Contractual Services		58,542.94	81,219.82

The difference of \$22,676.88 comes from the Marion County water and sewer portions of object accounts 6255, 6260, 6265, 6270, 6375, 6380, 6400, and 6410. In the Annual Report, the balances in these object accounts were included in the NARUC accounts for Contractual Services .