



P.O. Box 13427
Tallahassee, FL 32317-3427
Phone or Fax (904) 942-4339

Management & Regulatory Consultants, Inc.

February 1, 1995

Robert J. Pierson, Esq.
Division of Legal Services
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0863

Decked No. 940109-WU

RE: Order No. PSC-94-1383-FOF-WU
St. George Island Utility Company, Ltd

Dear Mr. Pierson:

In reviewing the above referenced order I noticed what I am sure is an inadvertent error on Schedule 3-C (page 96 of the order). The column "Commission Adjustments" does not carry forward the correct adjustments as specified on Schedule 3-B (page 94 of the order), nor does it reflect the adjustments discussed in the body of the order. Specifically, the adjustments for Accounts 604, 657, 658 and 666 are incorrect. I have attached a marked up copy of Schedule 3-C showing the correct adjustments.

The errors on Schedule 3-C do not carry forward to summary Schedule 3-A, Statement of Water Operations. Therefore the order correctly reflects the level of revenue requirements authorized by the order. However, on behalf of my client, St. George Island Utility Company, Ltd, I am requesting that a correcting order be issued. Schedule 3-C, which is the detail of allowed operating and maintenance expenses, will be the reference point, in any future rate application, for MFR Schedule B-7, which requires an applicant to compare current and prior operating and maintenance expense. Schedule 3-C of the Order understates allowed expenses, and I am concerned that it will cause a problem for my client in future comparisons.

Thank you for your attention.

Very truly yours,

MANAGEMENT AND REGULATORY CONSULTANTS, INC.

Frank Seidman

cc: Division of Records and Reporting
Mr. Gene Brown
G. Stephen Pfeiffer, Esq.

ACK _____
AFA _____
APP _____
CAF _____
CVU _____
CDE _____
EPL _____
LFC 1 _____
LIX 3 _____
SFC _____
RCH _____
SEC 1 _____
WAS *Willis* _____
DTH _____

DOCUMENT NUMBER-DATE
01281 FEB-3 95
FPSC-RECORDS/REPORTING 797

ST. GEORGE ISLAND UTILITY CO. OPERATION AND MAINTENANCE EXPENSES - WATER TEST YEAR ENDED DECEMBER 31, 1992		DOCKET NO. 940109-WU SCHEDULE NO. 3-C				
ACCT NO.	ACCOUNT TITLE	TEST YEAR PER UTILITY	UTILITY ADJUSTMENTS	UTILITY ADJUSTED TEST YEAR	COMMISSION ADJUSTMENTS	COMMISSION ADJUSTED TEST YEAR
601	SALARIES AND WAGES - EMPLOYEES	\$ 62,879	\$ 60,241	\$ 123,120	* (3,214)	\$ 119,906
603	SALARIES AND WAGES - OFFICERS, DIRECTORS, ETC.	0	0	0	0	0
604	EMPLOYEE PENSIONS AND BENEFITS	4,359	29,997	34,356	B.C.D. (18,216) (1206)	16,140
610	PURCHASED WATER	0	0	0	0	0
615	PURCHASED POWER	20,522	404	20,926	908	21,834
616	FUEL FOR POWER PRODUCTION	0	0	0	0	0
618	CHEMICALS	3,899	0	3,899	(386)	3,513
620	MATERIALS AND SUPPLIES	15,573	0	15,573	(3,993)	11,580
631	CONTRACTUAL SERVICES - ENGR.	4,151	1,849	6,000	(1,959)	4,041
632	CONTRACTUAL SERVICES - ACCT.	31,436	(8,796)	22,640	(6,000)	16,640
633	CONTRACTUAL SERVICES - LEGAL	21,818	2,182	24,000	(21,000)	3,000
634	CONTRACTUAL SERVICES - MGMT. FEES	48,000	0	48,000	(16,000)	32,000
635	CONTRACTUAL SERVICES - OTHER	12,344	85,091	97,435	(46,910)	50,525
641	RENTAL OF BUILDING/REAL PROPERTY	9,092	1,076	10,168	(3,717)	6,451
642	RENTAL OF EQUIPMENT	7,163	2,633	9,796	0	9,796
650	TRANSPORTATION EXPENSES	18,022	(2,422)	15,600	(7,800)	7,800
656	INSURANCE - VEHICLE	0	0	0	0	0
657	INSURANCE - GENERAL LIABILITY	0	17,000	17,000	0	0
658	INSURANCE - WORKMAN'S COMP.	0	4,000	4,000	0	0
659	INSURANCE - OTHER	0	15,502	15,502	0	0
660	ADVERTISING EXPENSE	0	0	0	0	0
666	REGULATORY COMMISSION EXPENSES - AMORT. OF RATE CASE EXPENSE	0	26,260	26,260	U (789) (675)	25,471
667	REG. COMMISSION EXPENSES - OTHER	0	0	0	0	0
670	BAD DEBT EXPENSE	0	6,276	6,276	(4,707)	1,569
675	MISCELLANEOUS EXPENSES	21,649	2,773	24,422	(7,330)	17,092
TOTAL OPERATION AND MAINTENANCE		\$ 280,907	\$ 244,066	\$ 524,973	(177,615)	347,358
					<158,642>	366,331

22,296

7397

5304

25585

* ADJUSTMENT REFERENCE - SCHEDULE 3-B, PAGE 1 of 2.