

State of Florida

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DIVISION OF WATER &
WASTEWATER
CHARLES HILL
DIRECTOR
(904) 413-6900

Public Service Commission

January 16, 1996

Mr. B. Kenneth Gatlin
Gatlin, Woods & Carlson
1709-D Mahan Drive
Tallahassee, Florida 32308

Re: Docket No. 951056-WS. Application For Increased Water and Wastewater Rates by Palm Coast Utility Corporation in Flagler County

Dear Mr. Gatlin:

We have reviewed the company's application including the minimum filing requirements submitted on December 27, 1995, on behalf of the above mentioned utility. After reviewing this information, we find the minimum filing requirements to be deficient. The specifics are identified below.

1. Schedules A-1, A-2, B-1 & B-2. These schedules require, the following columns be included: Balance per Books, Utility Adjustments, and Adjusted Utility balances for the test year. Since a projected test year is being requested the utility is required to provide this information for the historical test year as well as the 13-month average projected test year. In addition, since the utility has requested that a year-end test year be used, the information must also be provided for this test year.

2. Schedules B-5 & B-6. These schedules require the utility to present total operations and maintenance expenses by primary account for water and wastewater. The utility did not include a schedule showing the total operation and maintenance expenses for water or wastewater by primary account.

3. Schedule B-7. This schedule requires the utility to include a breakdown of expenses by primary account. This was not provided.

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4. Schedule B-9. This schedule requires that the utility provide a detailed description of all work performed by outside consultants, the name of the consultant providing the service, and the method of allocation between water and wastewater. This information was not provided.

5. Schedule B-12. This schedule requires a detailing of expenses by primary account, allocated between water, wastewater and other. The utility did not provide this information.

6. 25-30.436(4)(h), F.A.C. This rule requires a utility, that has costs allocated from its parent company, to provide the following information in the form of schedules:

A. The total costs being allocated or charged prior to any allocation or charging as well as the name of the entity from which the costs are being allocated or charged and its relationship to the utility.

B. For costs allocated or charged to the utility in excess of one percent of test year revenues:

1. a detailed description and itemization; and
2. the amount of each itemized cost.

C. The allocation or direct charging method used and the bases for using that method.

D. The workpapers used to develop the allocation method, including but not limited to the numerator and denominator of each allocation factor.

E. The workpapers used to develop, where applicable, the basis for the direct charging method.

F. A copy of any contracts or agreements between the utility and its parent or affiliated companies for services rendered between or among them.

This information was not provided.

Your petition will not be deemed filed until the date that we receive the above mentioned information. These corrections should be submitted no later than February 15, 1996.

Mr. B. Kenneth Gatlin
January 16, 1996
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Sincerely,

A handwritten signature in black ink, appearing to read 'CH Hill', written in a cursive style.

Charles H. Hill
Director

CHH/MWW

c: Division of Records and Reporting
Division of Legal Services (Jaber)
Division of Water and Wastewater (Willis, Merchant, Crouch, Rendell)