

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.



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

Public Service Commission

December 1, 1998

STAFF'S SECOND
DATA REQUEST

F. Marshall Deterding, Esquire
Rose, Sundstrom & Bentley
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

RE: Docket No. 970536-WS - Application of Aloha Utilities, Inc. for limited proceeding increase in water and wastewater rates

Dear Mr. Deterding:

By this letter, Commission staff requests that Aloha Utilities, Inc. (Aloha or utility) please provide responses to the following data requests:

- With regard to work performed by Cronin, Jackson, Nixon & Wilson, CPAs, PA. (CJNW) for Aloha, please provide a schedule listing the type of services performed and the total corresponding fees for each of these duties on an annual basis for the years 1997 and 1998. Of these types of services listed, explain whether these are annually recurring and whether they are general financial, bookkeeping or write-up work, or specialized accounting services, such as auditing, tax services, PSC annual report preparation or regulatory consulting.
- With regard to financial and/or accounting work performed by Aloha employees, please provide a schedule listing the type of duties performed and the total corresponding dollar amount of the employees' salary and/or wages for each of these duties on an annual basis for the years 1997 and 1998.
- Please provide a cost-benefit analysis to explain whether it is more cost effective for Aloha to outsource all the work performed by CJNW or to hire additional accounting personnel for Aloha. Include in this analysis how many additional employees Aloha would require and a detailed breakdown of the corresponding costs that would be incurred.

MCK _____
 AFA _____
 APP _____
 DAF _____
 CMU _____
 CTR _____
 EAG _____
 LEG _____
 LIN _____
 OPC _____
 RCH _____
 SEC 1
 WAS _____
 OTH _____

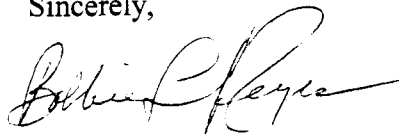
DOCUMENT NUMBER 001
 13470 DEC-1 98
 PSC RECORDS/REPORTING

Marshall Deterding, Esquire
Page 2
December 1, 1998

4. With regard to Aloha's responses to staff's first data request, Aloha provided a January 8, 1998 letter from Bernard M. Telatovich to John R. Jenkins, which was included in Aloha's Exhibit C. According to this letter, John R. Jenkins sent Sylvia Young a letter dated December 19, 1997. Please provide a copy of John R. Jenkins' December 19, 1997 letter to Sylvia Young.

Please file the original and five copies of the requested information by December 31, 1998 with Ms. Blanca Bayo, Director of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. If you have any questions, please feel free to call me at (850) 413-6216.

Sincerely,



Bobbie L. Reyes
Senior Attorney

BLR/lw

cc: Division of Records and Reporting
Division of Water and Wastewater (Fletcher, Merchant)

i:\discovry.blr