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December 2, 1998

BY HAND DELIVERY

Ms. Blanca S. Bayó  
Director, Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

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FPSC-BUREAU OF RECORDS  
DEC -2 PM 9:17

Re: Mid-County Services, Inc. - Docket No. 971065-SU

Dear Ms. Bayó:

Enclosed for filing, on behalf of Mid-County Services, Inc., are the original and 15 copies of its Objections to Public Counsel's First through Fourth Requests for Production of Documents.

If you have any questions regarding this filing, please call.

RECEIVED & FILED  
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Very truly yours,

*[Signature]*

Richard D. Melson

- ACK \_\_\_\_\_
- AFA 1 RDM/clp
- APP \_\_\_\_\_ Enclosures
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_ cc: Ms. Brubaker
- CTR \_\_\_\_\_ Mr. Wenz
- EAG \_\_\_\_\_ Mr. Rasmussen
- LEG 1
- LIN 3
- OPC \_\_\_\_\_ 109021.1
- RCH \_\_\_\_\_
- SEC 1
- WAS Willis
- OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE  
13543 DEC -2 98  
FPSC-BUREAU OF RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for rate ) Docket No. 971065-SU  
increase in Pinellas County )  
by Mid-County Services, Inc. ) Filed: December 2, 1998  
\_\_\_\_\_ )

MID-COUNTY'S OBJECTIONS TO PUBLIC COUNSEL'S  
FIRST THROUGH FOURTH REQUESTS FOR PRODUCTION OF DOCUMENTS

Mid-County hereby files its objections to Public Counsel's First, Second, Third and Fourth Requests for Production of Documents. As grounds therefor, Mid-County states:

1. Public Counsel's First through Fourth Requests for Production of Documents totaling forty requests were served on Mid-County at various dates between June 29, 1998 and July 20, 1998. By subsequent agreement with Public Counsel, Mid-County responded informally to a number of those requests, but its obligation to make a formal response was held in abeyance. By letter dated November 20, 1998, Public Counsel notified Mid-County to consider all requests as re-activated and set forth its understanding of the status of each request.

2. Pursuant to the requirements of the Order on Procedure, Mid-County hereby objects to a number of the requests on the grounds set forth below.

GENERAL OBJECTIONS

3. Mid-County objects to the general direction to produce all documents at the Office of Public Counsel for inspection and

copying. A number of the requests call for voluminous documents which are kept in the ordinary course of business at the offices of Utilities, Inc. in Northbrook, Illinois. Pursuant to previous discussions with Public Counsel, where production in Florida would be unduly burdensome, Mid-County will make responsive documents available for inspection in Northbrook.

4. Mid-County objects to Public Counsel's definition of Mid-County in each set of requests to include "any other party which directly or indirectly controls, is controlled by, or is under common control with the utility." (This objection applies to every request in which Mid-County is named.) Mid-County also objects to each request which calls for documents of Mid-County's "affiliated sister companies, operating systems, parents, and the ultimate parent." (This objection applies to Requests 5-6, 7-12, and 17-40.) These requests are overly broad, call for documents not under the control of Mid-County, and call for documents which are not relevant to the subject matter of this proceeding and are not reasonably calculated to lead to the discovery of admissible evidence. While Mid-County is part of a large corporate group, the only inter-company transactions and allocations to which Mid-County is a party are between Mid-County on the one hand and Water Services Corporation or Utilities Inc. of Florida on the other hand. Other than the calculation of federal income taxes covered under Paragraph 7 below, there are no transactions or

allocations between Mid-County and its ultimate parent, Utilities, Inc., and no transactions or allocations between Mid-County and its sister companies (other than Utilities Inc. of Florida), most of which are operating utility companies in 14 states other than Florida. Mid-County objects to providing documents of these other affiliates because they have no possible relevance to this issues in this rate case. Subject to the other objections made below, Mid-County will provide responsive documents of Mid-County, Water Services Corporation (WSC), and Utilities Inc. of Florida (UIF).

5. Mid-County objects to each request to the extent that it calls for documents which are subject to the attorney-client, work product, or other applicable privilege. Although its search for documents is not yet complete, Mid-County to date has not identified any privileged documents which would otherwise be responsive to any of the requests and is making this objection only as a precautionary matter.

6. Mid-County believes that Public Counsel's letter of November 20, 1998 re-activating the discovery requests sets forth a generally accurate description of the status of various pending requests, although Mid-County believes that it fails to note several requests for which Public Counsel agreed that documents of Mid-County, WSC and UIF would be treated as fully responsive to a broader request. In any event, Mid-County's failure to

specifically respond to any characterizations or statements in that letter is not intended to waive any objection stated herein.

#### **SPECIFIC OBJECTIONS**

7. Mid-County objects to Request No. 2 to the extent that it calls for production of *all* supporting documents, workpapers and consolidating schedules for the consolidated tax return of which Mid-County is a part on the grounds that it is overly broad and unduly burdensome. Interpreted literally, this request would encompass all accounting records for the periods in question for all members of the consolidated group. Notwithstanding this objection, Mid-County intends to produce responsive documents which would normally be thought of as supporting workpapers for the tax returns. Mid-County also objects to Request No. 2 to the extent it calls for Mid-County to make the tax returns available for copying in addition to inspection. The tax returns contain confidential business information of Mid-County's parent and other members of the consolidated group which is not relevant to this proceeding. Mid-County is willing to work with Public Counsel to accommodate requests for copying of specific portions of the returns which Public Counsel identifies as relevant to this proceeding, but Mid-County objects to wholesale copying of these returns.

8. Mid-County objects to Requests No. 11 and 12 which call

for production of adjusting and recurring journal entries for the years 1995, 1996 and 1997 on the grounds that the requests are overly broad and unduly burdensome. The journal entries for Mid-County, WSC, and UIF cannot readily be segregated from the journal entries for other members of the Utilities, Inc. family of companies which are voluminous and are not relevant to this proceeding. Mid-County has produced or will be producing general ledgers for Mid-County, WSC and UIF in response to other requests. All journal entries will be cross-referenced in the general ledgers, and Mid-County is willing to provide Public Counsel with any specific journal entries for these three companies that Public Counsel may identify as a result of its review of the general ledgers.

9. Mid-County objects to Request No. 26 on the grounds of vagueness. Simply put, Mid-County does not understand the term "responsibility center" and prior discussions with Public Counsel have been insufficient to clarify the request.

10. Mid-County objects to Request No. 29 on the grounds of undue burden and relevance to the extent that it calls for back-up documentation of expenditures for meals and entertainment that are not directly incurred by Mid-County. Although it is possible that some meal and entertainment expenditures are charged to Mid-County through the allocation process, the total dollar amount of such charges would be small, and Mid-County's share of the

allocation would be minuscule. In any event, based on the limited scope of Mid-County's protest, information on meals and entertainment expenditures are not relevant to any matter at issue in this case.

RESPECTFULLY SUBMITTED this 2nd day of December, 1998.

HOPPING GREEN SAMS & SMITH, P.A.

By: Richard D. Melson  
Richard D. Melson  
P.O. Box 6526  
Tallahassee, FL 32308

ATTORNEYS FOR MID-COUNTY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was furnished to the following by hand delivery this 2nd day of December, 1998.

Jennifer Brubaker  
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Florida Public Service Commission  
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*Richard O. Me...*

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Attorney