

STATE OF FLORIDA

Commissioners:  
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DIVISION OF LEGAL SERVICES  
NOREEN S. DAVIS  
DIRECTOR  
(850) 413-6199

# Public Service Commission

December 5, 2000

## STAFF'S FIRST DATA REQUEST

Scott G. Schildberg, Esquire  
Martin, Ade, Birchfield & Mickler, P.A.  
One Independent Drive  
Suite 3000  
Jacksonville, Florida 32202

RE: Docket No. 001514-WS - Petition for approval of regulatory accounting treatment in Duval, Nassau, and St. Johns Counties by United Water Florida Inc., holder of Certificates Nos. 236-W and 179-S, and request for relief.

By this letter, Commission staff requests that United Water Florida Inc. (UWF) provide responses to the following data requests:

1. Did UWF or any of its affiliates perform a cost benefit analysis for UWF prior to its offering this voluntary early retirement program? If yes, please provide a copy.
2. Please provide a copy of the Actuarial Study conducted by UWF showing the breakdown of \$1,055,418. Please explain the methodology used to determine the prudence and reasonableness of this cost for twelve (12) employees?
3. Please provide a copy of UWF's early retirement program describing the type of benefits offered to the employees.
4. Has UWF recorded the transaction for the early retirement program? If so, please provide all journal entries.
5. Please provide a calculation of UWF's rate base, net operating income and cost of capital schedules for the year ended June 30, 2000. These should be calculated consistent with the methodologies approved in UWF's last rate case.

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DOCUMENT NUMBER/DATE

15570 DEC-58

FPSC-RECORDS/REPORTING

Scott G. Schildberg, Esquire

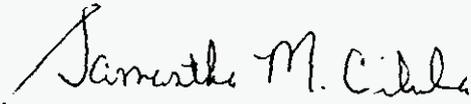
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6. Please provide a calculation of the regulatory impact of expensing all of these costs for water and wastewater in the year ending December 31, 1999. Also, please provide a calculation of the projected regulatory impact of expensing one-third of these costs in 1999, 2000, and 2001.
7. On what date did UWF begin offering its early retirement program?
8. Was the early retirement program instituted as a result of the transfer of majority organizational control of the corporate grandparent, United Water Resources, Inc. to Lyonnaise American Holdings, Inc.?
9. Please explain why these early retirement costs should not be considered acquisition costs.
10. Please provide a copy of the audited financial statements of the entity which includes UWF's assets for the period ending December 31, 1999.

Please file the original and five copies of the requested information by January 10, 2001, with Ms. Blanca Bayo, Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. If you have any questions, please contact me at (850) 413-6202.

Sincerely,



Samantha M. Cibula  
Senior Attorney

cc: Division of Economic Regulation (Quijano, Merchant)  
Division of Records and Reporting