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March 22, 2001

BY HAND DELIVERY

Blanca Bayó
Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

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01 MAR 22 PM 12:43
RECORDS AND
REPORTING

Re: Docket Nos. 990696-WS and 992040-WS

Dear Ms. Bayó:

Enclosed for filing on behalf of Nocatee Utility Corporation are the original and fifteen copies of its Motion for Leave to File Additional Direct Testimony to which are attached copies of the Additional Direct Testimony of Deborah D. Swain and a REVISED Exhibit ____ (DDS-12).

By copy of this letter, these documents have been furnished to the parties on the attached service list.

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

Very truly yours,



Richard D. Melson

ADP _____
CAF _____
CMP _____
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CTR _____
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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for original certificates)
to operate water and wastewater utility)
in Duval and St. Johns Counties) Docket No. 990696-WS
by Nocatee Utility Corporation)
_____)

In re: Application for certificates to)
operate water and wastewater utility)
in Duval and St. Johns Counties) Docket No. 992040-WS
by Intercoastal Utilities, Inc.)
_____) Filed: March 22, 2001

**NOCATEE'S MOTION FOR LEAVE TO FILE
ADDITIONAL DIRECT TESTIMONY**

NOCATEE UTILITY CORPORATION ("NUC") hereby files its Motion for Leave to File Additional Direct Testimony of Deborah D. Swain. As grounds therefor, NUC states:

1. In preparing its response to Staff's Second Set of Interrogatories and Second Request for Production of Documents, NUC discovered that a computational error had been made in the calculation of wastewater rates. This error resulted in proposed rates that would over-recover the wastewater revenue requirement.

2. By this motion, NUC seeks leave to file Additional Direct Testimony of Ms. Swain to correct the computational error and to furnish a REVISED Exhibit ___ (DDS-12) to present the revised wastewater rates. A copy of the testimony and exhibit are attached to this motion. The workpapers supporting this corrected computation are today being furnished to the parties in response to Staff's discovery requests.

3. The granting of this motion will give the Commission the information necessary to set appropriate wastewater rates for NUC.

4. Permitting NUC to file the additional direct testimony will not prejudice any other party. The deposition of Ms. Swain is currently scheduled for April 6, 2001 and the parties will have full opportunity to inquire into the wastewater rate computation at that time.

WHEREFORE, NUC urges that the Commission grant its request for leave to file the Additional Direct Testimony Ms. Swain, submitted concurrently herewith.

RESPECTFULLY SUBMITTED this 22nd day of March, 2001.

HOPPING GREEN SAMS & SMITH, P.A.

By: Richard D. Melson

Richard D. Melson
P.O. Box 6526
Tallahassee, FL 32308
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Attorneys for Nocatee Utility Corporation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was served this 22nd day of March, 2001, on the following:

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Division of Legal Services
Florida Public Service Commission
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Tallahassee, FL 32399

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
ADDITIONAL DIRECT TESTIMONY OF
DEBORAH D. SWAIN
ON BEHALF OF
NOCATEE UTILITY CORPORATION
DOCKET NOS. 990696-WS & 992040-WS
March 22, 2001

Q. Please state your name and business address.

A. My name is Deborah D. Swain. My business address is
2025 Southwest 32nd Avenue, Miami, FL 33415.

Q. By whom are you employed and in what capacity?

A. I am Vice President of the consulting firm of Milian,
Swain & Associates, Inc.

Q. Have you previously filed direct, intervenor, rebuttal
and supplemental direct testimony in support of Nocatee
Utility Corporation's (NUC's) certificate application
in these consolidated dockets?

A. Yes.

Q. What is the purpose of this additional testimony?

A. This additional testimony corrects a computation error
in the calculation of wastewater rates that I
discovered when preparing a response to Staff's second
round of discovery to NUC in this case.

1 Q. Does that computation error affect any of your previous
2 exhibits?

3 A. Yes. It affects the presentation of wastewater rates on
4 Exhibit ____ (DDS-12) which was filed with my
5 supplemental direct testimony. A revised version of
6 that exhibit, containing corrected wastewater rates and
7 comparing them to Intercoastal's rates, is attached as
8 to this testimony as Revised Exhibit ____ (DDS-12).

9 Q. What was the cause of the error in the prior
10 computation?

11 A. In computing the monthly rates required to recover the
12 wastewater revenue requirement, I inadvertently
13 miscalculated the effect of defining a wastewater ERC
14 as 280 gallons per day (gpd) as compared to the water
15 ERC of 350 gpd. The effect was to produce rates that
16 over-recovered the wastewater revenue requirement.

17 Q. Do the rates on your Revised Exhibit ____ (DDS-12)
18 represent the rates that NUC is now asking the
19 Commission to approve as initial rates in this
20 proceeding?

21 A. Yes, they do.

22 Q. Does that conclude your additional direct testimony?

23 A. Yes it does.

Nocatee Utility Corporation
 Comparison of Rates
 Original Rates vs Current Revised Rates

DOCKET NOS. 990696-WS & 992040-WS
 Swain REVISED Exhibit ____ (DDS-12)
 page 1 of 2

		Water Rates		Sewer Rates		Combined Water and Sewer Rates		Reuse Rates	
		Original Filing	Revised Filing	Original Filing	Revised Filing	Original Filing	Revised Filing	First Revised Filing	Current Revised Filing
Service Availability per ERC									
Plant capacity	(JEA)	140.00	140.00	1,025.00	1,025.00	1,165.00	1,165.00	240.00	240.00
Main extension	(NU)	95.00	95.00	115.00	115.00	210.00	210.00	550.00	550.00
Total		235.00	235.00	1,140.00	1,140.00	1,375.00	1,375.00	790.00	790.00
Rates									
BASE FACILITY CHARGE									
5/8" X 3/4"		9.20	8.00	11.28	10.91	20.48	18.91	11.51	9.68
3/4"		13.80	12.00	16.92	16.37	30.72	28.37	17.27	14.52
1"		23.00	20.00	28.20	27.28	51.20	47.28	28.78	24.20
1 1/2"		46.00	40.00	56.40	54.55	102.40	94.55	57.55	48.40
2"		73.60	64.00	90.24	87.28	163.84	151.28	92.08	77.44
3"		147.20	128.00	180.48	174.56	327.68	302.56	184.16	154.88
4"		230.00	200.00	282.00	272.75	512.00	472.75	287.75	242.00
6"		460.00	400.00	564.00	545.50	1,024.00	945.50	575.50	484.00
8"		736.00	640.00	902.40	872.80	1,638.40	1,512.80	920.80	774.40
CHARGE PER 1,000 GALLONS									
Residential		1.82	1.58	4.61 *	3.60 *	6.43	5.18	0.35	0.35
General Service		1.82	1.58	5.53	4.32	7.35	5.90	0.35	0.35
RESIDENTIAL BILLS									
5/8" X 3/4", gallons:									
3,000		14.66	12.74	25.11	21.71	39.77	34.45	12.57	10.74
5,000		18.30	15.90	34.33	28.91	52.63	44.81	13.27	11.44
5,333		18.91	16.43	35.87	30.11	54.77	46.53	13.39	11.56
10,000		27.40	23.80	57.38	46.91	84.78	70.71	15.04	13.21
25,000		54.70	47.50	57.38	46.91	112.08	94.41	20.33	18.50

Notes.
 * - maximum of 10,000 gallons charged to residential customers

Nocatee Utility Corporation
Comparison of Rates
Current Revised Rates vs Intercoastal Rates

DOCKET NOS. 990696-WS & 992040-WS
Swain REVISED Exhibit ____ (DDS-12)
page 2 of 2

		Water Rates		Sewer Rates		Combined Water and Sewer Rates		Reuse Rates	
		Nocatee	Intercoastal	Nocatee	Intercoastal	Nocatee	Intercoastal	Nocatee	Intercoastal
Service Availability per ERC									
Plant capacity	(JEA)	140.00	234.45	1,025.00	625.50	1,165.00	859.95	240.00	
Main extension	(NU)	95.00	-	115.00	-	210.00	-	550.00	-
Total		235.00	234.45	1,140.00	625.50	1,375.00	859.95	790.00	-
Rates									
BASE FACILITY CHARGE									
5/8" X 3/4"		8.00	6.91	10.91	19.09	18.91	26.00	9.68	
3/4"		12.00		16.37		28.37		14.52	
1"		20.00	15.62	27.28	45.14	47.28	60.76	24.20	
1 1/2"		40.00	30.14	54.55	88.57	94.55	118.71	48.40	
2"		64.00	47.56	87.28	140.68	151.28	188.24	77.44	
3"		128.00		174.56		302.56		154.88	
4"		200.00		272.75		472.75		242.00	
6"		400.00		545.50		945.50		484.00	
8"		640.00		872.80		1,512.80		774.40	
CHARGE PER 1,000 GALLONS									
Residential		1.58	0.89	3.60 *	4.48 **	5.18	5.37	0.35	
General Service		1.58	0.89	4.32	4.48	5.90	5.37		
RESIDENTIAL BILLS									
5/8" X 3/4", gallons:									
3,000		12.74	9.58	21.71	32.53	34.45	42.11	10.74	-
5,000		15.90	11.36	28.91	41.49	44.81	52.85	11.44	-
5,333		16.43	11.66	30.11	42.98	46.53	54.64	11.56	-
10,000		23.80	15.81	46.91	63.89	70.71	79.70	13.21	-
25,000		47.50	29.16	46.91	63.89	94.41	93.05	18.50	-

Notes:

- * - maximum of 10,000 gallons charged to residential customers
- ** - maximum of 30,000 gallons charged to residential customers per quarter