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April 13, 2006

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> Rosanne Gervasi, Esquire Legal Division Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re:

:MP

OTH

PSC Docket No. 050862-WU; Application for Staff Assisted Rate Case in Marion County by

County-Wide Utility Co., Inc.

Our File No. 40097.01

## Dear Rosanne:

As a result of our discussions and further investigation into the issues outlined in your letter of March 23, 2006, I am writing to offer a proposal for settlement of the dispute concerning the confidential treatment of the various documents and information obtained from County-Wide.

I appreciate the staff's detailed review of this request. First of all, as I noted to you by phone, the section entitled "Failure to Provide Required Affirmative Statement" outlined on the fourth page of your letter, is incorrect. That affirmative statement was specifically made in Paragraph 7 of the Application. Secondly, as you and I discussed, the Utility is willing to drop its entire request for confidential treatment of all documents, other than those on which the staff has already ruled in our favor, if one additional set of figures can be agreed to be treated as confidential.

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MOC	This one additional area involves the salaries of individuals paid by unregulated entities for work
TR	they do outside of the regulated Utility. Charges have been booked to the Utility for work performed by three individuals. Those charges are not allocations from that related entity, nor are they charges from that
ECR	related entity. Instead, they are direct payroll of the Utility. As a method of showing justification, we
3CL	provided the salary that those persons make in their larger job working for another entity, at least in part, owned by the same shareholders as the Utility. We believe this information is proprietary in all the ways
OPC	outlined in the statute and the Commission rules.
RCA	It is my understanding that the staff has reviewed Order No. PSC-97-0022-FOF-WS, issued on
SCR	— January 6, 1997 in Docket No. 960451-WS involving United Water Florida, Inc. and has concluded that
SGA	based upon that case, there is precedent for the Commission refusing to treat such salary information as
SEC	confidential information. I believe there are at least two very important distinguishing characteristics of
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## that case:

- 1. In the UWF case the salaries which the Commission refused to treat as confidential information, were those of an affiliated entity, a parent company or a management company. That is not the case here. These are not related entities in any form other than the fact that the entity by whom these salaries are paid happens to have some of the same shareholders (ALL?) as the Utility entity. They are not parent, subsidiary or sister corporations.
- 2. Most importantly, the compensation information discussed in the UWF case were charges allocated to the Utility company from that related entity, which was a portion of that salary paid. In County-Wide's case, the charges are directly to the Utility for these individuals Utility salaries, and they are simply justified in part by showing what those individuals make working for another entity, to demonstrate the value of those individual's time and utility salary. They are not allocations of their salary from that other entity and they are not charges from that other entity. Therefore, this is readily and easily distinguishable from the case involving UWF.

The Utility is willing to drop its request for confidential treatment on all matters not already addressed by the staff through return of workpapers, to the extent the Commission is in agreement to distinguish this case from UWF and grant confidential treatment to all of the items which show the salaries of the three individuals received from another non regulated entity.

If you need any further information or have any further questions in this regard, please let me know.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, I

F. Marshall Deterding

For The Firm

FMD/tms

cc:

Marshall Willis Troy Rendell Gerald Edwards Bob Freeman Blanca S. Bayo