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February 2, 2007

HAND DELIVERY

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RECEIVED FPSC
07 FEB -2 PM 3:50
COMMISSION
CLERK

RE: Docket No. 060253-WS; Utilities, Inc. of Florida's Application for Rate Increase in Marion, Orange, Pasco, Pinellas and Seminole Counties, Florida
Our File No. 30057.108

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket is the response of Utilities, Inc. of Florida (*Utility*) to Staff's data request dated January 12, 2007.

In Utilities, Inc. of Florida's letter dated January 5, 2007, in its response to Question 2 regarding Infiltration/Inflow for the Ravenna Park/Lincoln Heights system, the utility estimated excess Infiltration/Inflow of 4,888,467 gallons with a reduction to Operation and Maintenance expenses of \$20,238.25. Please provide a response to the following questions for the Ravenna Park/Lincoln Heights system.

CMP _____
COM _____
CTR _____
ECR _____
GCL _____
OPC _____
RCA _____
SCR _____
SGA _____
SEC _____
OTH _____

1. Has the utility performed an engineering study to determine the cause of the Infiltration/Inflow? If so, please provide a copy of this study.

RESPONSE: No. The Utility completed an evaluation of a portion of the Ravenna Park/Lincoln Heights collection system in 2006 that identified the location of a number of points of infiltration in the sewer mains. The study does not include an estimate of the cost to correct the problems that were found.

2. If the utility has not performed an engineering study, what would an engineering study cost and how long would it take to complete?

RESPONSE: The Utility has not requested a quote for engineering services, therefore

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FPSC-COMMISSION CLERK

would not expect that such cost would be included in this rate case. There is no reason to initiate an engineering study at this time, when the system's condition can be evaluated more effectively using contractors well versed in underground utility rehabilitation efforts. The Utility's preferred approach in this instance is to enter into a contract with underground utility contractors who are experienced in rehabilitating collection systems.

3. Has the utility received any bids to reline and repair the manholes and lift stations? Please provide a copy of any bids.

RESPONSE: No. In 2003, the Utility cleaned and smoke tested the collection system as part of Work Order #090-0614-116-03-01. Additionally, all of the manholes were inspected as part of that job. In 2004, under Work Order #090-0614-116-03-04, the Utility made repairs to manholes, rings and covers that were identified in the 2003 report as needing repairs. In 2006, as part of its annual sewer cleaning program, the Utility cleaned and video inspected about 2,900 linear feet of gravity sewer main. The contractor has not yet provided a cost estimate to fix the items identified in the 2006 report.

4. If the utility has not received any bids to reline and repair the manholes and lift stations, what does the utility estimate it will cost to reline any manholes and lift stations that need repair? Please provide a copy of the utility's estimates.

RESPONSE: The manholes were addressed comprehensively in 2004. Therefore, there is no basis or reason to obtain manhole repair estimates. The four lift stations in the Ravenna Park/Lincoln Heights system have all been constructed or refurbished since 2001 and are therefore not a source of infiltration.

5. Has the utility received any bids to video and repair the collection system? Please provide a copy of any bids.

RESPONSE: One contractor has verbally quoted the cost to clean and video inspect gravity mains at \$2.40 per linear foot.

6. If the utility has not received any bids to video and repair the collection systems, what does the utility estimate it will cost to video and repair the collection system? Please provide a copy of the utility's estimates.

Ms. Blanca Bayo
Commission Clerk and Administrative Services Director
February 2, 2007
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RESPONSE: Please refer to response to no. 5 above.

7. Has the utility requested any proforma adjustments to correct the infiltration/inflow issue at the Ravenna Park/Lincoln Heights systems? If not, why not.

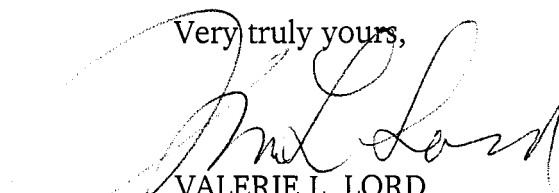
RESPONSE: No. The review of the 2006 report did not indicate a need to include these sewer system repairs in the 2007 capital improvement plan. In spite of the amount of infiltration occurring in this system as identified previously, the Utility is able to provide proper and adequate wastewater service to its customers on a consistent, daily basis.

8. When does the utility plan to address the Infiltration/Inflow issue?

RESPONSE: The Utility will consider adding this project to the 2008 capital improvement plan.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,



VALERIE L. LORD
For the Firm

VLL/mp

cc: Ms. Christine Romig, Division of Economic Regulation (by hand delivery)
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