

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in water and)
wastewater rates in Alachua, Brevard,)
Highlands, Lake, Lee, Marion, Orange, Palm)
Beach, Pasco, Polk, Putnam, Seminole,)
Sumter, Volusia, and Washington Counties)
by Aqua Utilities Florida, Inc.)

Docket No. 060368-WS

Dated: February 6, 2007

COMMISSION
CLERK

07 FEB - 6 PM 4:12

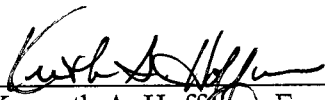
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AQUA UTILITIES FLORIDA, INC.'S
NOTICE OF FILING RESPONSES
TO ACCOUNTING DEFICIENCIES
NOS. 16 THROUGH 24

Aqua Utilities Florida, Inc. ("AUF") hereby files and serves Notice that it has filed twenty copies of the attached Responses to Deficiencies Nos.16 through 24 as set forth in the Deficiency Letter dated January 2, 2007 from Timothy Devlin, Director, Division of Economic Regulation, to Kenneth Hoffman, counsel for AUF.

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

Respectfully submitted this 6th day of February, 2007.



 Kenneth A. Hoffman, Esquire
 Marsha E. Rule, Esquire
 Rutledge, Ecenia, Purnell & Hoffman, P.A.
 215 South Monroe St., Suite 420
 Tallahassee, FL 32301
 850.681.6788 (telephone)
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ATTORNEYS FOR AQUA UTILITIES
FLORIDA, INC.

RECEIVED & FILED


FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

01256 FEB-06


FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Notice and attached Responses was served by hand delivery this 6th day of February, 2007, to the following:

Florida Public Service Commission
Rosanne Gervasi, Esq.
Katherine E. Fleming, Esq.
2450 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Office of the Public Counsel
Stephen C. Reilly, Esq.
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400



Kenneth A. Hoffman

**Aqua Utilities Florida Inc.
Docket No. 060368-WS
Accounting Deficiencies**

Accounting Deficiency No. 16

Schedule A-4 – Schedule of Water and Sewer Plant in Service

The utility did not provide the reconciliation of the balances in the 2005 Annual Report and these MFR schedules, as required by Rule 25-30, 110, F.A.C.

Accounting Deficiency No. 17

Schedule A-5 – Water Plant in Service by Primary Account

The utility did not provide the reconciliation of the balances in the 2005 Annual Report and these MFR schedules, as required by Rule 25-30, 110, F.A.C.

Accounting Deficiency No. 18

Schedule A-6 – Wastewater Plant in Service by Primary Account

The utility did not provide the reconciliation of the balances in the 2005 Annual Report and these MFR schedules, as required by Rule 25-30, 110, F.A.C.

Accounting Deficiency No. 19

Schedule A-8 – Schedule of Water and Sewer Accumulated Depreciation

The utility did not provide the reconciliation of the balances in the 2005 Annual Report and these MFR schedules, as required by Rule 25-30, 110, F.A.C.

Accounting Deficiency No. 20

Schedule A-9 – Schedule of Water Accumulated Depreciation by Primary Account

The utility did not provide the reconciliation of the balances in the 2005 Annual Report and these MFR schedules, as required by Rule 25-30, 110, F.A.C.

Accounting Deficiency No. 21

Schedule A-10 – Schedule of Sewer Accumulated Depreciation by Primary Account

The utility did not provide the reconciliation of the balances in the 2005 Annual Report and these MFR schedules, as required by Rule 25-30, 110, F.A.C.

Accounting Deficiency No. 22

Schedule A-11 – Schedule of Water and Sewer Contributions in Aid of Construction

The utility did not provide the reconciliation of the balances in the 2005 Annual Report and these MFR schedules, as required by Rule 25-30, 110, F.A.C.

Accounting Deficiency No. 23

Schedule A-13 – Schedule of Water and Sewer Accumulated Amortization of CIAC

The utility did not provide the reconciliation of the balances in the 2005 Annual Report and these MFR schedules, as required by Rule 25-30, 110, F.A.C.

Accounting Deficiency No. 24

Schedule A-14 – Schedule of Water and Sewer Accumulated Amortization – CIAC

The utility did not provide the reconciliation of the balances in the 2005 Annual Report and these MFR schedules, as required by Rule 25-30, 110, F.A.C.

Response to Nos. 16 – 24:

Florida Water Service: The 2005 Annual Report Balance for the FWS were recalculated starting with June 30, 2004 Balances for the

Commission's February 27, 2006 Amendatory Order. Because of this the balances will not reconcile to the 2005 Annual Report.

ASI Systems: Attachment 1 to this response reconciles the MFRs (A-4, A-5, A-6, A-8, A-9, A-11, A-12, A-13, A-14) for water and sewer systems to Annual Report balances.

F:\Aqua\Rate Base Deficiency Cures Inc 1.xls\ASI Water 1/29/2007 19:31													ATTACHMENT 1 (Response to Accounting Deficiency Nos. 16-24)			
Aqua Florida Inc. ASI Systems																
Reconciliation- Annual Report Balances as of 12/31/2005 to MFR Schedules																
Response to Deficiency #		Arredondo Estates	Haines Creek	Jasmine Lakes	JS - 48 Estates	JS - Kings Cove	JS - Summit Chase	Lake Josephine	Lake Osborne Estates	Ocala Oaks	Ravenswood	Rosalie Oaks	Sebring Lakes	The Woods	Village Water	
WATER Systems																
UPIS																
16	Reconcile Annual Report to MFR Schedule A-4															
	Annual Report 12/31/05	422,097	70,813	2,336,512	116,141	363,165	393,533	511,551	139,763	2,600,979	45,783	78,904	328,764	189,220	208,017	
	plus:															
	IT	6,946	1,264	17,890	922	2,357	2,505	6,423	5,329	20,338	501	1,082	786	854	2,129	
	PSC Audit Adjustment				2,360	(54,312)	(117,009)	242,614								
	Other	0	1	(1)	0	0	0	(1)	0	0	0	1	(0)	341	0	
	MFR Schedule A-4	429,043	72,078	2,354,401	119,423	311,210	279,029	760,587	145,092	2,621,317	46,284	79,987	329,550	190,415	210,146	
17	Reconcile Annual Report to MFR Schedule A-5															
	Annual Report 12/31/05	422,097	70,813	2,336,512	116,141	363,165	393,533	511,551	139,763	2,600,979	45,783	78,904	328,764	189,220	208,017	
	MFR Schedule A-5, page 2	422,097	70,814	2,336,512	116,141	363,165	393,533	511,551	139,763	2,581,451	45,783	78,905	328,764	189,221	208,017	
	Annual Report H(L)	0	(1)	0	0	0	0	0	0	19,528	0	(1)	0	(1)	0	
Accumulated Depreciation																
19	Reconcile Annual Report to MFR Schedule A-8															
	Annual Report	258,726	36,528	660,361	46,921	156,266	146,841	167,378	131,019	954,640	16,585	20,398	64,291	122,974	32,627	
	plus:															
	IT	240	44	618	32	81	87	222	184	702	17	37	27	29	74	
	PSC Audit Adjustment				9,894	(21,241)	(18,645)	40,974								
	Recalculate Depreciation Expense	1,388	0	(1,199)	84	(1,674)	(4,972)	4,011	125	(2,926)	134	158	6,328	261	(630)	
	Remove Negative Balances 12/31/04							42,484								
	Other (Ann Rpt H(L) than books)	(3,014)	1	0	259	240	260	(1)	(1)	3	(0)	(80)	(0)	(1)	(0)	
	MFR Schedule A-8	257,340	36,573	659,780	57,190	133,672	123,571	255,068	131,327	952,419	16,736	20,513	70,646	123,263	32,071	
20	Reconcile Annual Report to MFR Schedule A-9															
	Annual Report	258,726	36,528	660,361	46,921	156,266	146,841	167,378	131,019	954,640	16,585	20,398	64,291	122,974	32,627	
	MFR Schedule A-9, page 2	255,711	36,529	660,349	46,922	156,266	146,842	167,377	131,019	954,647	16,584	20,397	64,291	122,973	32,628	
	Annual Report H(L)	3,015	(1)	12	(1)	0	(1)	1	0	(7)	1	1	0	1	(1)	

F:\Audit\State Basis Deficiency Cures\Doc 1.dta\ASI Water 1/29/2017 19:31										ATTACHMENT 1 (Response to Accounting Deficiency Nos. 16-24)				
Aqua Florida Inc. ASI Systems														
Reconciliation- Annual Report Balances as of 12/31/2005 to MFR Schedules														
Response to Deficiency #	Arredondo Estates	Haines Creek	Jasmine Lakes	JS - 48 Estates	JS - Kings Cove	JS - Summit Chase	Lake Josephine	Lake Osborne Estates	Ocala Oaks	Ravenswood	Rosale Oaks	Sebring Lakes	The Woods	Village Water
WATER SYSTEMS														
CIAC														
22	Reconcile Annual Report to MFR Schedule A-11													
	16,026	26,528	199,294	13,600	96,038	47,874	220,005	20,053	834,537	11,729	3,250	325,002	90,366	2,000
	plus:													
				4,700	4,100	32,682	110,129							
	(110)	132	(138)	(425)	425	0	(0)	0	0	400	250	0	(130)	(200)
	15,916	26,660	199,156	17,875	100,563	80,556	330,134	20,053	834,537	12,129	3,500	325,002	90,236	1,800
	MFR Schedule A-11													
not requested	Reconcile Annual Report to MFR Schedule A-12													
	16,026	26,528	199,294	13,600	96,038	47,874	220,005	20,053	834,537	11,729	3,250	325,002	90,366	2,000
	15,916	26,660	199,156	13,175	96,463	47,874	220,005	20,053	834,537	12,129	3,500	325,002	90,236	1,800
	110	(132)	138	425	(425)	0	0	0	0	(400)	(250)	(0)	130	200
	MFR Schedule A-12, page 2													
	Annual Report H(L)													
Accumulated Amort of CIAC														
23	Reconcile Annual Report to MFR Schedule A-13													
	12,555	18,119	179,806	7,219	51,318	30,105	93,767	16,757	440,688	11,529	505	62,825	71,460	787
	plus:													
				3,581	(5,604)	6,995	33,169							
	648	453	525	229	331	1320	3315	1	5581	230	-358	5929	-363	-642
	(197)	72	(2,330)	0	(26)	(123)	37,470	380	(2,739)	0	450	7,103	(152)	44
	13,006	18,644	178,001	11,029	46,019	38,297	167,721	17,138	443,530	11,759	597	75,857	70,945	189
	MFR Schedule A-13													
24	Reconcile Annual Report to MFR Schedule A-14													
	12,555	18,119	179,806	7,219	51,318	30,105	93,767	16,757	440,688	11,529	505	62,825	71,460	787
	13,006	18,644	178,001	7,448	51,623	31,302	105,287	17,138	443,530	11,759	597	75,857	70,945	189
	(451)	(525)	1,805	(229)	(305)	(1,197)	(11,520)	(381)	(2,842)	(230)	(92)	(13,032)	515	598
	MFR Schedule A-14, page 2													
	Annual Report H(L)													

Aqua Florida Inc. ASI Systems
Reconciliation- Annual Report Balances as of 12/31/2005 to MFR Schedules

Response to Deficiency #	Arredondo Estates	Jasmine Lakes	JS - Kings Cove	JS - Summit Chase	Rosalie Oaks	South Seas	The Woods	Village Water
SEWER Systems								
UPIS								
16	Reconcile Annual Report to MFR Schedule A-4							
Annual Report	308,485	1,519,597	427,943	230,125	51,278	2,983,142	121,750	284,873
plus:								
IT	4,054	17,765	2,266	2,482	1,082	729	809	399
PSC Audit Adjustment			(69,558)	7,501				
Other	(0)	(1)	69,558	0	(0)	(0)	(0)	(0)
MFR Schedule A-4	312,539	1,537,361	430,209	240,108	52,360	2,983,871	122,559	285,272
18	Reconcile Annual Report to MFR Schedule A-6							
Annual Report	308,485	1,519,597	427,943	230,125	51,278	2,983,142	121,750	284,873
MFR Schedule A-6, page 2	308,485	1,519,596	427,943	230,125	51,277	2,983,142	121,750	284,873
Annual Report Higher(Lower)	0	1	0	0	1	0	0	0
Accumulated Depreciation								
19	Reconcile Annual Report to Adjusted Balances (Sched A-8)							
Annual Report	196,955	937,209	228,500	135,072	9,105	1,555,566	93,722	98,523
plus:								
IT	240	618	81	87	37	25	28	14
PSC Audit Adjustment			(10,212)	7,501				
Other	495	10,817	674	10,328	548	16,116	87	305
MFR Schedule A-8	197,690	948,644	219,043	152,988	9,690	1,571,707	93,837	98,842
21	Reconcile Annual Report to Books (Sched A-10)							
Annual Report	196,955	937,209	228,500	135,072	9,105	1,555,566	93,722	98,523
MFR Schedule A-10, page 2	196,955	937,185	228,500	135,072	9,106	1,555,564	93,723	98,523
Annual Report H(L)	(0)	24	0	(0)	(1)	2	(1)	(0)

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Aqua Florida Inc. ASI Systems									
Reconciliation- Annual Report Balances as of 12/31/2005 to MFR Schedules									
Response to Deficiency #		Arredondo Estates	Jasmine Lakes	JS - Kings Cove	JS - Summit Chase	Rosalie Oaks	South Seas	The Woods	Village Water
SEWER Systems									
CIAC									
not requested	Reconcile Annual Report to MFR Schedule A-12								
	Annual Report	0	162,314	161,130	143,377	8,700	422,855	63,642	0
	MFR Schedule A-12, page 2	0	162,314	161,130	143,377	9,750	422,855	62,642	0
	Annual Report H(L)	0	(0)	0	0	(1,050)	0	1,000	0
22	Reconcile Annual Report to MFR Schedule A-11								
	Annual Report	0	162,314	161,130	143,377	8,700	422,855	63,642	0
	plus:								
	IT								
	PSC Audit Adjustment			7,585	5,152				
	Other	0	0	0	0	1,050	0	(1,000)	0
	MFR Schedule A-11	0	162,314	168,715	148,529	9,750	422,855	62,642	0
23	Accumulated Amort of CIAC								
	Reconcile Annual Report to MFR Schedule A-13								
	Annual Report	0	151,372	107,586	104,751	1,178	345,431	61,977	0
	plus:								
	IT								
	PSC Audit Adjustment			(17,984)	(38,863)				
	Other	0	1,545	1,590	(47)	191	23,668	517	0
	MFR Schedule A-13	0	152,917	91,192	65,841	1,369	369,099	62,494	0
24	Reconcile Annual Report to MFR Schedule A-14								
	Annual Report	0	151,372	107,586	104,751	1,178	345,431	61,977	0
	MFR Schedule A-14, page 2	0	152,917	109,176	104,704	1,369	369,099	62,494	0
	Annual Report H(L)	0	(1,545)	(1,590)	47	(191)	(23,668)	(517)	0