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ORIGINAL

Electronic Filing

a. Person responsible for this electronic filing:

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b. Docket No. 060368-WS

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 Utility Florida, Inc.

c. There are a total of 5 pages.

d. The documents attached for electronic filing are Citizens' Motion for Reconsideration of Order No. PSC-07-0598-PCO-WS.

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DOCUMENT NUMBER-DATE

06794 AUG-06

FPSC-COMMISSION CLERK

ORIGINAL

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
ORDER NO. PSC-07-0598-PCO-WS
ISSUED: August 6, 2007

**CITIZENS' MOTION FOR RECONSIDERATION OF
ORDER NO. PSC-07-0598-PCO-WS**

The Citizens of the State of Florida, through their attorney, the Public Counsel (OPC), pursuant to Rule 28-106.204(1), Florida Administrative Code, hereby move for reconsideration of Order No. PSC-07-0598-PCO-WS. The Citizens submit:

1. On July 25, 2007, the Commission issued Order No. PSC-07-0598-PCO-WS, which disposed of a large number of discovery issues raised by OPC in a motion to compel. In this Motion, the Citizens seek the Commission to reconsider its ruling on two discovery requests: OPC's Request for Production of Documents (POD) No. 48 and OPC's Interrogatory No. 97. Both of those discovery requests sought Aqua Utilities Florida Inc. (Aqua) to provide specific information on its capital budget for 2006 and 2007.

2. The Commission ruled that Aqua was to respond to this discovery only for "major" capital items estimated to exceed \$20,000 (Order No. 0598, pp. 6, 11). For OPC Interrogatory 97, the Commission allowed OPC to ask further interrogatories after

DOCUMENT NUMBER-DATE

06794 AUG-6 8

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receiving Aqua's response, but it is not clear whether these interrogatories can cover additions below \$20,000. For POD 48, the Commission did not similarly allow additional PODs, so it would appear to prohibit all such inquiry for additions below \$20,000.

3. The Citizens believe the Commission misapprehended the facts in arriving at its conclusion. The Commission intended to set a threshold that would require Aqua to supply information for all major additions, but in this context, a \$20,000 threshold will excuse Aqua from providing basic information on a substantial number of major capital projects.

4. A \$20,000 initial threshold may be reasonable for a single rate filing by a company the size of Aqua Utilities Florida, but this case involves 80 different systems, many of which are very small. If any of these small systems had filed a separate rate case, it is unimaginable that the Commission would place a \$20,000 limitation on this discovery. Aqua should not be allowed to change what would otherwise be a reasonable threshold simply by filing 80 different systems together.

5. The documents sought in OPC POD 48 are that which are necessary to assure the Florida public that a due diligence examination has been made into the issue of whether the projected expenditures are reasonable, as required by Florida statutes. OPC sought "invoices, budgets, signed contracts, bids if the project has not been completed, and any requirements of the DEP..." By sustaining Aqua's objection, the Commission is prohibiting OPC from obtaining "invoices, budgets..." etc. on any item below \$20,000.

On a per project basis, 77% of Aqua's proposed plant additions fall below the \$20,000 threshold for 2006, and 89% fall below the threshold for 2007. The Commission cannot assure the Florida public of the reasonableness of plant additions, when the utility is excused from providing invoices and budgets for such a large preponderance of the capital projects that will be undertaken.

6. Rates are not being set on an aggregate Aqua basis. Rather, they will be set on a per system or a per county basis. Accordingly, the effects of the proposed plant additions will be felt by customers on a system or county basis. For some of these smaller systems, the \$20,000 represents a very large portion of rate base. For example, for the Friendly Center water system, the proposed 2007 addition of \$15,752 represents an increase of over 61% to plant in service. Similar situations exist for Harmony Homes, Haines Creek, Jungle Den, JS-Summit Chase, Oakwood, Stone Mountain, Silver Lake Oaks, The Woods and Wootens. Again, the Citizens submit that the Commission cannot assure the public that rates are reasonable when it prohibits the request for budgets and invoices on additions that represent 61% of current plant in service.

7. The Citizens believe the Commission was unaware of the foregoing when it made some of the pronouncements in Order No. 0598, and misapprehended these facts when making its decision. Accordingly, the Citizens seek the Commission to reconsider its rulings on OPC POD 48 and OPC Interrogatory 97.

WHEREFORE, the Citizens of the State of Florida respectfully request the Public

Service Commission to reconsider portions of Order No. PSC-07-0598-PCO, in accordance with the issues raised herein.

Respectfully Submitted

s/Stephen C. Burgess
Stephen C. Burgess
Associate Public Counsel

CERTIFICATE OF SERVICE
DOCKET NO. 060368-WS
ORDER NO. PSC-07-0598-PCO-WS

I HEREBY CERTIFY that a true and correct copy of the foregoing Citizens' Motion for Reconsideration of Order No. PSC-07-0598-PCO-WS has been furnished by electronic mail and by U. S. Mail to the following parties on this 6th day of August, 2007:

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