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TIMOTHY DEVLIN, DIRECTOR  
DIVISION OF ECONOMIC REGULATION  
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# Public Service Commission

June 4, 2008

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COMMISSION  
CLERK

## STAFF'S FIRST DATA REQUEST

Martin S. Friedman, Esquire  
Rose, Sundstrom & Bentley, LLP  
2180 West State Road 434  
Sanlando Center, Suite 2118  
Longwood, FL 32779

**Re: Docket No. 070693-WS - Application for increase in water and wastewater rates in Lake County by Lake Utility Services, Inc.**

Dear Mr. Friedman:

Staff needs the following information to complete our review of the application.

1. The following items relate to the projected **non-allocated** plant additions reflected in Schedule A-5, pages 3 of 4 and 4 of 4, line 45 and Schedule A-6, pages 3 of 4 and 4 of 4, line 60.

A.. For each addition, provide the following:

- (1) a statement why each addition is necessary;
- (2) a copy of all invoices and other support documentation if the plant addition has been completed;
- (3) a copy of the signed contract or any bids, if the plant addition has not been completed;
- (4) a status of the engineering and permitting efforts, if the plant addition has not been through the bidding processing; and
- (5) the projected in-service date for each outstanding plant addition.

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2. Please provide the Allocations from Related Companies amounts by month that were omitted from Schedule A-9, page 4 of 4.
3. Please provide the Allocations from Related Companies amounts that were omitted from Schedule A-10, page 1 of 4.
4. Please provide the Allocations from Related Companies amounts by month that were omitted from Schedule A-10, page 3 of 4.
5. Please explain why there is no change in the amounts shown in Schedule A-12, page 1 of 4, from the intermediate year of 6/30/08 to the projected year ending 6/30/09.
6. As required by Commission rule 25-30.437(3), please provide a schedule which describes in detail all methods and bases of projections, explaining the justification for each method or bases employed..
7. Please explain in detail why total miscellaneous service charge revenue reported on Schedule E-5, pages 2 and 3, is significantly lower than what is reported on page 1 of Schedule E-5.
8. The following item pertains to the utility's water and wastewater treatment systems. Please provide your latest Wastewater Treatment Plant Site Map that shows the wastewater plants, equalization tanks, filter and reclaimed water storage tank and any proposed additions.
9. With regard to Account 711, Sludge Removal Expense reflected on MFR Schedule B-8, staff requests the following additional information.
  - (a) Was the contract for sludge removal competitively bid out? If so, how many companies provided a bid?
  - (b) What is the per gallonage cost of sludge removal?
  - (c) How many gallons of sludge were removed during the test year?
  - (d) What is the typical percent of solids concentration of the sludge and the percent of volatile solids when the sludge is removed from the digester?
  - (e) Provide your calculations, assumptions, references that demonstrate that the quantity and concentration of sludge removed from the digester is reasonable.
10. The following items relate to the utility's requested rate case expense, Schedule B-10.
  - (a) For each individual person, in each firm providing consulting services to the applicant pertaining to this docket, provide the billing rate, and an itemized description of work performed. Please provide detail of hours worked associated with each activity. Also provide a description and associated cost for all expenses incurred to date.

- (b) For each firm or consultant providing services for the applicant in this docket, please provide copies of all invoices for services provided to date.
  - (c) If rate consultant invoices are not broken down by hour, please provide reports that detail by hour, a description of actual duties performed, and amount incurred to date.
  - (d) Please provide an estimate of costs to complete the case by hour for each consultant or employee, including a description of estimated work to be performed, and detail of the estimated remaining expense to be incurred through the PAA process.
  - (e) Please provide an itemized list of all other costs estimated to be incurred through the PAA process.
11. Please provide the supporting documentation and budgets used to determine the increases for Salaries and Benefits included under item (B)(1), Schedule B-3, page 1 of 2.
  12. Please provide the supporting documentation for the adjustments a through e listed under (B)(2), Schedule B-3, page 1 of 2.
  13. Please provide the supporting documentation for the adjustments listed in column 3 of Schedule B-5, page 1 of 4 and the supporting documentation for the projected increases shown in columns 6 and 10 of Schedule B-5, page 1 of 4.
  14. Please provide the supporting documentation for the adjustments listed in columns 3, 5 and 7 of Schedule B-6, page 1 of 4.
  15. Please explain why no increases were proposed for Service Availability Charges shown on Schedule E-10, pages 1 through 3.
  16. Please provide, on a CD in a format compatible with Excel for Windows, copies of all electronic schedules, tables, workpapers, models, projections and forecasts created in the process of filing all Schedule E and Schedule F schedules contained in the MFRs in the current rate increase request. For each electronic schedule, table, workpaper, model, projection or forecast provided in this response, please provide its file name, a description of the purpose and/or contents of the file, and the Schedule (or table number, if applicable) that the file corresponds to in the MFRs. In the event of **any subsequent revisions** to any Schedule E or Schedule F schedules, please provide an updated CD, in a format compatible with Excel for Windows, which contains all of the above-requested information for each revised or updated schedule.
  17. Please provide the utility's current Consumptive Use Permit(s) issued by the St. Johns River Water Management District, **including any and all attachments and exhibits** to the permit(s).
  18. Please provide any and all correspondence between the utility and the St. Johns River Water Management District for the period July 1, 2000 through the present.

19. Please provide bills, ERCs and water consumption information, by service area (Lake Groves and Area Excluding Lake Groves), customer class and meter size, for each month during the period January 2000 through June 2007. Please provide the information in the format below:

Month / Yr	Monthly Water Gallons Sold (000)					
	Residential (by customer class and meter size)			General Service (by customer class and meter size)		
	Bills	ERCs	Gals Sold	Bills	ERCs	Gals Sold
January 2000						
February 2000						
March 2000						
Etc. through						
June 2007						

Please ensure that the data provided in this response ties to the following:

- (a) for each month during the historical test year ended 2007, the sum of the total monthly consumption data for all classes should tie to those figures found in MFR Schedule F-1, column (3) for the corresponding service areas;
- (b) the sum of the monthly consumption figures data provided in this response for each class during the historical test year ended 2007 should tie to the corresponding values found on both Schedules E-2 and E-14 of the utility's MFRs;
- (c) the information provided in this response should tie to the information provided in columns (1), (2) and (3) for each 12-month period in column (1) of the utility's MFR Schedule F-9 (by service area);
- (d) the information provided in this response should tie to the sum of the annual number of gallons sold to the residential class in MFR Schedule F-9, column (5) for each 12-month period in column (1) of the utility's MFR Schedule F-9;
- (e) the information provided in this response should tie to the sum of the total annual gallons sold shown in the utility's MFR Schedule F-9, column (7) for each 12-month period listed in column (1).

If any of these referenced totals do not tie as indicated, please provide an explanation for each instance in which the figures do not tie.

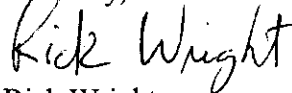
Mr. Martin Freidman  
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20. Please provide the annual wastewater consumption, by customer class, for each month during the period January 2000 through July 2007. The residential wastewater gallons sold should represent the **capped** volume sold. Please provide the information in the format below:

Month / Yr	Monthly Wastewater Gallons Sold (000)					
	Residential (capped) (by customer class and meter size)			General Service (by customer class and meter size)		
	Bills	ERCs	Gals Sold	Bills	ERCs	Gals Sold
January 2000						
February 2000						
March 2000						
Etc. through						
June 2007						

Please submit the above information to the Office of Commission Clerk by July 7, 2008. If you have any questions, please contact me by phone at (850) 413-6435 or by e-mail at [rwright@psc.state.fl.us](mailto:rwright@psc.state.fl.us).

Sincerely,



Rick Wright  
Professional Accountant Specialist

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Walden, Lingo)  
Office of the General Counsel (Young)  
Office of Commission Clerk (Docket No. 070693-WS)  
Office of Public Counsel