

RECEIVED-FPSC
08 JUL 21 PM 4:15

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for a limited proceeding
increase in water rates in Pasco County
by Aloha Utilities, Inc.

Docket No. 060122-WU

Filed: July 21, 2008

COMMISSION
CLERK

**ALOHA UTILITIES, INC.'S RESPONSES AND OBJECTIONS
TO CITIZENS OF THE STATE OF FLORIDA'S
FOURTH REQUEST FOR PRODUCTION OF DOCUMENTS
(NO. 47-62)**

ALOHA UTILITIES, INC. ("Aloha"), by and through its undersigned attorneys, hereby
files its responses and objections to Citizens of the State of Florida's Fourth Request for
Production of Documents and responds as follows:

Objections

To the extent that any of Aloha's objections to the Citizens' Second or Third Request for
Production of Documents are applicable to either the "definitions" or "instructions" in OPC's
Fourth Request for Production of Documents, those objections are incorporated by this reference
as if fully set forth herein.

Place of Production

The documents will be produced, consistent with the Uniform Rules and the applicable
Florida Rules of Civil Procedure, at a mutually agreed upon place in Tallahassee, within a
reasonable time after inspection is requested.

DOCUMENTS REQUESTED

COM _____
ECR _____
GCL 1 _____
OPC _____
RCP _____
SSC 47. _____
SGA _____
ADM _____
CLK _____

Additional Labor Costs – Chloramination Conversion

DOCUMENT NUMBER-DATE
06293 JUL 21 08
FPSC-COMMISSION CLERK

- a. **Please provide Mr. Porter's calculations of the 2005 blended hourly rates used to determine each class cost associated with the chloramination conversion.**

The blended rates were derived by developing weighted averages (based on number of man-hours expended for the year 2005 and labor cost for each individual employee) for each labor class (essential job title). These weighed averages were completed by calculator and immediately entered into a spreadsheet used to develop increased labor costs. Since the blended rates were developed calculator use no printed document is available.

- b. **Please provide all source documents used by Mr. Porter to calculate the 2005 blended hourly rates for each class cost associated with the chloramination conversion, as shown on his workpaper.**

Responsive documents shall be produced as indicated herein.

- c. **Please provide analogous information requested in (b) for 2004, 2006 and 2007.**

No such analysis was completed for these years; therefore, no documents exist.

48. Additional Labor Costs – Pasco County Interconnection

- a. **Please provide Mr. Porter's calculations of the 2007 blended hourly rates used to determine each class cost associated with the Pasco County interconnection.**

The workpapers completed by engineer mistakenly stated that "blended rates" were used in his calculations. In fact, rates for each class of employee current at the time

the work papers were developed were used. Therefore, no blended rate calculations exist.

- b. Please provide all source documents used by Mr. Porter to calculate the 2007 blended hourly rates for each class cost associated with the Pasco County interconnection, as shown on his workpaper.**

Responsive documents shall be produced as indicated herein.

- c. Please provide analogous information requested in (b) for 2005 and 2006.**

No such analysis was completed for these years; therefore no documents exist.

- 49. Please provide copies of all employment advertisements placed year to date.**

Responsive documents shall be produced as indicated herein.

- 50. Please provide copies of documents explaining the Company's benefits and pension programs available to employees for 2005, 2006, 2007, and 2008.**

Responsive documents shall be produced as indicated herein.

- 51. In response to Question 12(b) of the Staff's Second Set of Data Requests, the Company provided the following response:**

In general, unless an employee is specifically identified as spending 100% of his time in a particular operating division, salaries and wages are allocated to the respective divisions based on ERC's.

- a. Please provide all supporting documentation and workpapers demonstrating the allocation of salaries and wages for employees for each water and wastewater system for the years 2005-2007. Please provide Excel files with all formulas and links intact.**

All salary and wages of all officers and employees, including related pensions and benefits, with the exception of those operators who work only on the Seven Springs sewer plant are allocated based on ERCs. The Company's use of allocations based on ERC's with direct charges where applicable has been reviewed and audited in two wastewater rate proceedings, the Company's last Seven Springs Water rate case and two over earnings investigations. The payroll allocations were never an issue in any of those cases. There are copies of worksheets sharing the number of ERCs by division for 2005-2007. Responsive documents shall be produced as indicated herein.

- b. Please provide all supporting documentation and workpapers demonstrating the direct charge of salaries and wages for employees for each water and wastewater system for the years 2005-2007. Please provide Excel files with all formulas and links intact.**

The only salaries charged directly to a particular division are employees working solely in the Seven Springs wastewater division.

- c. Please provide all supporting documentation and workpapers demonstrating the allocation of salaries and wages for officers, directors, and majority stockholders for each system for the years 2005-2007. Please provide Excel files with all formulas and links intact.**

See response to 51(a), since all officers/directors/majority stockholders are allocated solely on ERC's.

- d. Please provide all supporting documentation and workpapers demonstrating the direct charge of salaries and wages for officers, directors, and majority**

stockholders for each system for the years 2005-2007. Please provide Excel files with all formulas and links intact.

None; not applicable.

- e. Please provide all supporting documentation and workpapers demonstrating the allocation of pensions and benefits for each system for the years 2005-2007. Please provide Excel files with all formulas and links intact.**

See answers to 51(a) above.

- f. Please provide all supporting documentation and workpapers demonstrating the direct charge of pensions and benefits for each system for the years 2005-2007. Please provide Excel files with all formulas and links intact.**

None – the only direct charges of salaries, which pensions and benefits follow, are in the Seven Springs wastewater division, which is wholly outside this Seven Springs water proceeding.

- 52. Please provide all source documents supporting Mr. Porter's workpapers regarding the calculations of chemical costs associated with the interconnection facilities and chloramination conversion. Please provide all electronic documents with formulas and links intact.**

Responsive documents shall be produced as indicated herein.

- 53. For purposes of this request, please refer to Mr. Porter's workpaper calculating the projected cost for ammonia solution. Please provide all supporting documentation of the cost of ammonia solution used in the calculation. Please provide all electronic documents with formulas and links intact.**

See #52 above.

54. **Please provide supporting documentation for the current cost of ammonia solution.**

Responsive documents shall be produced as indicated herein.

55. **For purposes of this request, please refer to Mr. Porter's workpaper calculating the projected cost for liquid chlorine. Please provide all supporting documentation of the cost of liquid chlorine used in the calculation. Please provide all electronic documents with formulas and links intact.**

See #52 above.

56. **Please provide supporting documentation for the current cost of liquid chlorine.**

Responsive documents shall be produced as indicated herein.

57. **For purposes of this request, please refer to the file "Copy of Preliminary Cost Estimate- Revised Interconnect.xls" provided in the Company's response to OPC POD 27. Please provide all documents supporting the \$42,000 from Electrical - Power, Service, & Lighting to Controls & SCADA Installation.**

No such documents exist. This was an estimate/allowance value based on the experience of the engineer.

58. **For purposes of this request, please refer to the Company's response to OPC Interrogatory 29, where the Company states:**

Aloha will manage its water production facilities and the interconnect facilities to maximize the taking for bulk water whenever possible so that the 2.4 MGD AADF of bulk water can be realized. On days and/or at times during each day when demand is lower than prevailing seasonal AADF for the entire system, Aloha will take water from the interconnect at up to the maximum flow rate allowable through the interconnect. At other times, Aloha will take water through the interconnect at 2.4 MGD consistently by adjusting flows

from its own treatment plants to allow for this rate of bulk water to be taken consistently into the system to the fullest extent possible.

Please provide any and all documents demonstrating that the Company can take the all the flows from the county as described in this response.

No such documents exist.

- 59. Please provide copies of all correspondence between the Company and Pasco County related to the interconnection facilities since January 22, 2008.**

Responsive documents shall be produced as indicated herein.

- 60. For purposes of this request, please refer to the Company's response to OPC Document Request 30. Please provide a copy of the invoice from King Engineering Associates, Inc., detailing the work completed for \$72,908.**

Responsive documents shall be produced as indicated herein.

- 61. Please provide copies of any amendments proposed or completed to the Bulk Water Agreement with Pasco County.**

No such documents exist.

- 62. Please provide a copy of all written responses and attachments (where available) to these PODs in electronic format.**

Such documents will produced to the extent they exist.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via hand delivery or * US Mail to the following parties on this 21st day of July, 2008:

Customer Petitioners*
c/o Wayne T. Forehand
1216 Arlinbrook Drive
Trinity, Florida 34655

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

Jean Hartman, Esquire
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850



John L. Wharton
Rose, Sundstrom & Bentley, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301
(850)877-6555
(850)656-4029 FAX

aloha\49\r4p response 4th set.doc