

Ruth Nettles

From: Trina Collins [TCollins@RSBattorneys.com]
Sent: Monday, September 29, 2008 5:15 PM
To: Filings@psc.state.fl.us
Cc: Rick Wright; christensen.patty@leg.state.fl.us; kyoung@psc.state.fl.us.; jphoy@uiwater.com; pcflynn@uiwater.com; dswain@milianswain.com; Martin Friedman; Christian W. Marcelli; Trina Collins
Subject: Filing in Docket No.: 070693-WS; Lake Utility Services, Inc.'s Application for Water and Wastewater Rate Increase in Lake County, Florida
Importance: High
Attachments: PSC Clerk 18 (Data Request 3).ltr.09-29-2008.pdf

- a. Martin S. Friedman, Esq.
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- b. Docket No.: 070693-WS; Lake Utility Services, Inc.'s Application for Water and Wastewater Increase in Lake County, Florida – Filing response of Lake Utility Services, Inc. to Staff's third data request dated September 8, 2008.
- c. Lake Utility Services, Inc.
- d. 21 Pages.
- e. Letter to Commission Clerk and response to Response to Staff's third data request - 21 pages.

9/30/2008

DOCUMENT NUMBER-DATE

09178 SEP 30 8

FPSC-COMMISSION CLERK

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REPLY TO CENTRAL FLORIDA OFFICE

September 29, 2008

E-FILING

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(LICENSED IN NEW YORK ONLY)

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

RE: Docket No. 070693-WS; Lake Utility Services, Inc.'s Application for Water and Wastewater Rate Increase in Lake County, Florida
Our File No.: 30057.148

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket is the response of Lake Utility Services, Inc. ("LUSI" or the "Utility") to Staff's third data request dated September 8, 2008.

Staff has requested the following information to complete its review of the application:

1. Please reconcile in detail the December 31, 2007 balance of \$27,979,960 shown on Schedule W-4(a) of the company's annual report, column f with the balance of \$33,149,550 shown on Schedule A-5, page 3 of 4, column 8, line 58.

RESPONSE: At the time the annual report was prepared and filed, the financial statements for the year ended December 31, 2007 were not completed. The MFR page referred to expresses the best estimate from the projected test year, and does not reflect the actual numbers that were finalized later in 2008.

2. Please reconcile in detail the December 31, 2007 balance of \$13,232,684 shown on Schedule S-4(a) of the company's annual report, column f with the balance of \$9,750,434 shown on Schedule A-6, page 3 of 4, column 8, line 72.

RESPONSE: At the time the annual report was prepared and filed, the financial statements for the year ended December 31, 2007 were not completed. The MFR page referred to expresses the best estimate from the projected test year, and does not reflect the actual numbers that were finalized later in 2008.

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3. Please reconcile in detail the December 31, 2007 balance of \$4,085,300 shown on Schedule W-6(b) of the company's annual report, column f with the balance of \$3,828,848 shown on Schedule A-9, page 3 of 4, line 58.

RESPONSE: At the time the annual report was prepared and filed, the financial statements for the year ended December 31, 2007 were not completed. The MFR page referred to expresses the best estimate from the projected test year, and does not reflect the actual numbers that were finalized later in 2008.

4. Please reconcile in detail the December 31, 2007 balance of \$1,763,184 shown on Schedule S-6(b) of the company's annual report, column k with the balance of \$2,201,207 shown on Schedule A-10, page 3 of 4, column 8, line 72.

RESPONSE: At the time the annual report was prepared and filed, the financial statements for the year ended December 31, 2007 were not completed. The MFR page referred to expresses the best estimate from the projected test year, and does not reflect the actual numbers that were finalized later in 2008.

5. Please provide the supporting invoice(s) and any other support for the Consumptive Use Permit Cost of \$62,613 shown on Schedule B-3, page 1 of 2, adjustment (3)(b).

RESPONSE: Please see the attached invoices and supporting documentation for the Consumptive Use Permit Cost of \$62,613 referred to herein.

6. Please provide the calculations supporting the Ad Valorem adjustments D(2)(a) shown on Schedule B-3, page 2 of 2 in the amount of \$148,978 for water and \$111,895 for wastewater.

RESPONSE: See the calculations supporting the Ad Valorem adjustments D(2)(a) shown on Schedule B-3, page 2 of 2 below:

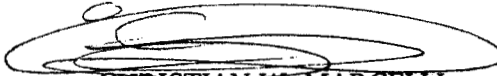
	<u>Water</u>	<u>Wastewater</u>
6/30/09 Year-end Plant Balance (see Schedule A-4)	\$ 35,911,467	\$ 18,879,765
Less: 6/30/07 Year-end Plant Balance	26,476,522	9,557,745
Less: 6/30/09 Non-Used and Useful Adjustment	-	2,235,583
Adjusted Additions to Plant for calculation of additional Ad Valorem Tax	9,434,945	7,086,437
2006 millage rate	0.01579	0.01579
Adjustment to Ad Valorem Taxes	\$ 148,978	\$ 111,895

Note: When converting the millage of \$15.0979 to the millage rate, a mistake was made. Below is the correct calculation:

Adjusted Additions to Plant for additional Ad Valorem Tax	\$9,434,945	\$ 7,086,437
2006 millage rate	0.0150979	0.0150979
Adjustment to Ad Valorem Taxes	<u>\$ 142,448</u>	<u>\$ 106,990</u>
Difference:	<u>\$ (6,530)</u>	<u>\$ (4,905)</u>

Should you or the Staff have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,


CHRISTIAN W. MARCELLI
Of Counsel

CM/tlc
Enclosures

cc: Richard Wright, Div. of Competitive Markets & Enforcement (w/encs.) (via e-mail)
Keino Young, Esquire, Office of the General Counsel (w/enclosures) (via e-mail)
Patricia Christensen, Esq., Office of Public Counsel (w/enclosures) (via e-mail)
John Hoy, Chief Regulatory Officer (w/enclosures) (via e-mail)
Patrick C. Flynn, Regional Director (w/enclosures) (via e-mail)
Ms. Deborah Swain (w/enclosures) (via e-mail)

M:\1 ALTAMONTE\UTILITIES INC\LUSI\(.148) 2007 RATE CASE\PSC Clerk 18 (Data Request 3).ltr.doc

RESPONSE TO ITEM NO. 5

DOCUMENT NUMBER-DATE

09178 SEP 30 8

FPSC-COMMISSION CLERK

Invoice

Bryan Gongre
Utilities, Inc.
200 Wethersfield Ave.
Altamonte Springs, FL 32714

March 15, 2007
Project No: U0788
Invoice No: 55041

LUSI North CUP; Clermont, FL
Professional Services through February 18, 2007

Fee

Total Fee	45,000.00		
Percent Complete	79.854	Total Earned	35,934.30
		Previous Fee Billing	0.00
		Current Fee Billing	35,934.30
		Total Fee	35,934.30
		Total this Phase	\$35,934.30
		Total this Invoice	\$35,934.30

CPH Engineers, Inc. _____

DOCUMENT NUMBER-DATE

09178 SEP 30 8

FPSC-COMMISSION CLERK

Invoice

Bryan Gongre
Utilities, Inc.
200 Wethersfield Ave.
Altamonte Springs, FL 32714

April 20, 2007
Project No: U0788
Invoice No: 55921

LUSI North CUP; Clermont, FL
Professional Services through March 25, 2007

Fee

Total Fee	42,500.00		
Percent Complete	90.8735	Total Earned	38,621.24
		Previous Fee Billing	35,934.30
		Current Fee Billing	2,686.94
		Total Fee	2,686.94
		Total this Phase	\$2,686.94
		Total this Invoice	\$2,686.94

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
200 Wethersfield Ave.
Altamonte Springs, FL 32714

June 7, 2007
Project No: U0788
Invoice No: 56653

LUSI North CUP; Clermont, FL
Professional Services through May 20, 2007

Fee			
Total Fee	42,500.00		
Percent Complete	92.3281	Total Earned	39,239.44
		Previous Fee Billing	38,621.24
		Current Fee Billing	618.20
		Total Fee	618.20
		Total this Phase	\$618.20
		Total this Invoice	\$618.20

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
200 Wethersfield Ave.
Altamonte Springs, FL 32714

July 12, 2007
Project No: U0788
Invoice No: 57430

LUSI North CUP; Clermont, FL
Professional Services through June 24, 2007

Fee

Total Fee	42,500.00		
Percent Complete	96.1743	Total Earned	40,874.08
		Previous Fee Billing	39,239.44
		Current Fee Billing	1,634.64
		Total Fee	1,634.64
		Total this Phase	\$1,634.64
		Total this Invoice	\$1,634.64

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
200 Wethersfield Ave.
Altamonte Springs, FL 32714

August 14, 2007
Project No: U0788
Invoice No: 57889

LUSI North CUP; Clermont, FL
Professional Services through July 22, 2007

Fee

Total Fee	42,500.00			
Percent Complete	100.00	Total Earned	42,500.00	
		Previous Fee Billing	40,874.08	
		Current Fee Billing	1,625.92	
		Total Fee		1,625.92
			Total this Phase	\$1,625.92
			Total this Invoice	\$1,625.92

Billings to Date

	Current	Prior	Total
Fee	1,625.92	40,874.08	42,500.00
Totals	1,625.92	40,874.08	42,500.00

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
200 Wethersfield Ave.
Altamonte Springs, FL 32714

September 5, 2007
Project No: U0788
Invoice No: 58591

LUSI North CUP; Clermont, FL
Professional Services through August 19, 2007

Fee

Total Fee	46,761.37			
Percent Complete	100.00	Total Earned	46,761.37	
		Previous Fee Billing	42,500.00	
		Current Fee Billing	4,261.37	
		Total Fee		4,261.37
		Total this Phase		\$4,261.37
		Total this Invoice		\$4,261.37

Outstanding Invoices

Number	Date	Balance
57889	08/14/07	1,625.92
Total		1,625.92

Billings to Date

	Current	Prior	Total
Fee	4,261.37	42,500.00	46,761.37
Totals	4,261.37	42,500.00	46,761.37

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
200 Wethersfield Ave.
Altamonte Springs, FL 32714

October 8, 2007
Project No: U0788
Invoice No: 58714

LUSI North CUP; Clermont, FL
Professional Services through September 23, 2007

Fee

Total Fee	47,853.94			
Percent Complete	100.00	Total Earned	47,853.94	
		Previous Fee Billing	46,761.37	
		Current Fee Billing	1,092.57	
		Total Fee		1,092.57
			Total this Phase	\$1,092.57
			Total this Invoice	\$1,092.57

Billings to Date

	Current	Prior	Total
Fee	1,092.57	46,761.37	47,853.94
Totals	1,092.57	46,761.37	47,853.94

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
Attn: Accounts Payable
2335 Sanders Road
Northbrook, IL 60062

November 30, 2007
Project No: U0788
Invoice No: 60007

LUSI North CUP; Clermont, FL
Professional Services through November 18, 2007

Fee

Total Fee	49,658.43	Total Earned	49,658.43
Percent Complete	100.00	Previous Fee Billing	47,853.94
		Current Fee Billing	1,804.49
		Total Fee	1,804.49
		Total this Phase	\$1,804.49
		Total this Invoice	\$1,804.49

Billings to Date

	Current	Prior	Total
Fee	1,804.49	47,853.94	49,658.43
Totals	1,804.49	47,853.94	49,658.43

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
Attn: Accounts Payable
2335 Sanders Road
Northbrook, IL 60062

January 10, 2008
Project No: U0788
Invoice No: 60444

LUSI North CUP; Clermont, FL
Professional Services through December 23, 2007

Fee

Total Fee	59,049.85			
Percent Complete	100.00	Total Earned	59,049.85	
		Previous Fee Billing	49,658.43	
		Current Fee Billing	9,391.42	
		Total Fee		9,391.42
		Total this Phase		\$9,391.42
		Total this Invoice		\$9,391.42

Outstanding Invoices

Number	Date	Balance
60007	11/30/07	1,804.49
Total		1,804.49

Billings to Date

	Current	Prior	Total
Fee	9,391.42	49,518.94	58,910.36
Expense	0.00	139.49	139.49
Totals	9,391.42	49,658.43	59,049.85

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
Attn: Accounts Payable
2335 Sanders Road
Northbrook, IL 60062

February 8, 2008
Project No: U0788
Invoice No: 60570

Project #2004092 & PO# 1533 - LUSI North CUP; Clermont, FL
Professional Services through January 20, 2008

Fee

Total Fee	60,829.85			
Percent Complete	100.00	Total Earned	60,829.85	
		Previous Fee Billing	59,049.85	
		Current Fee Billing	1,780.00	
		Total Fee		1,780.00
		Total this Phase		\$1,780.00
		Total this Invoice		\$1,780.00

Outstanding Invoices

Number	Date	Balance
60444	01/10/08	9,391.42
Total		9,391.42

Billings to Date

	Current	Prior	Total
Fee	1,780.00	58,910.36	60,690.36
Expense	0.00	139.49	139.49
Totals	1,780.00	59,049.85	60,829.85

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
 Utilities, Inc.
 Attn: Accounts Payable
 2335 Sanders Road
 Northbrook, IL 60062

March 4, 2008
 Project No: U0788
 Invoice No: 61737

Project #2004092 & PO# 1533 - LUSI North CUP; Clermont, FL
Professional Services through February 17, 2008

Fee

Total Fee	62,553.44		
Percent Complete	100.00	Total Earned	62,553.44
		Previous Fee Billing	60,829.85
		Current Fee Billing	1,723.59
		Total Fee	1,723.59
		Total this Phase	\$1,723.59
		Total this Invoice	\$1,723.59

Outstanding Invoices

Number	Date	Balance
60570	02/08/08	1,780.00
Total		1,780.00

Billings to Date

	Current	Prior	Total
Fee	1,723.59	60,690.36	62,413.95
Expense	0.00	139.49	139.49
Totals	1,723.59	60,829.85	62,553.44

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
Attn: Accounts Payable
2335 Sanders Road
Northbrook, IL 60062

April 7, 2008
Project No: U0788
Invoice No: 62327

Project #2004092 & PO# 1533 - LUSI North CUP; Clermont, FL
Professional Services through March 23, 2008

Fee

Total Fee	112,549.85			
Percent Complete	58.0546	Total Earned	65,340.37	
		Previous Fee Billing	62,553.44	
		Current Fee Billing	2,786.93	
		Total Fee		2,786.93
		Total this Phase		\$2,786.93
		Total this Invoice		\$2,786.93

Outstanding Invoices

Number	Date	Balance
61737	03/04/08	1,723.59
Total		1,723.59

Billings to Date

	Current	Prior	Total
Fee	2,786.93	62,413.95	65,200.88
Expense	0.00	139.49	139.49
Totals	2,786.93	62,553.44	65,340.37

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
 Utilities, Inc.
 Attn: Accounts Payable
 2335 Sanders Road
 Northbrook, IL 60062

May 5, 2008
 Project No: U0788
 Invoice No: 62853

Project #2004092 & PO# 1533 - LUSI North CUP; Clermont, FL
Professional Services through April 20, 2008

Fee

Total Fee	112,549.85			
Percent Complete	64.1035	Total Earned	72,148.39	
		Previous Fee Billing	65,340.37	
		Current Fee Billing	6,808.02	
		Total Fee		6,808.02
		Total this Phase		\$6,808.02
		Total this Invoice		\$6,808.02

Outstanding Invoices

Number	Date	Balance
61737	03/04/08	1,723.59
62327	04/07/08	2,786.93
Total		4,510.52

Billings to Date

	Current	Prior	Total
Fee	6,808.02	65,200.88	72,008.90
Expense	0.00	139.49	139.49
Totals	6,808.02	65,340.37	72,148.39

RAI Response to SJRWMD

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
Attn: Accounts Payable
2335 Sanders Road
Northbrook, IL 60062

June 6, 2008
Project No: U0788
Invoice No: 63753

Project #2004092 & PO# 1533 - LUSI North CUP; Clermont, FL
Professional Services through May 18, 2008

Fee

Total Fee	112,549.85			
Percent Complete	72.2316	Total Earned	81,296.56	
		Previous Fee Billing	72,148.39	
		Current Fee Billing	9,148.17	
		Total Fee		9,148.17
		Total this Task		\$9,148.17
		Total this Phase		\$9,148.17
		Total this Invoice		\$9,148.17

Outstanding Invoices

Number	Date	Balance
62327	04/07/08	2,786.93
Total		2,786.93

Billings to Date

	Current	Prior	Total
Fee	9,148.17	72,008.90	81,157.07
Expense	0.00	139.49	139.49
Totals	9,148.17	72,148.39	81,296.56

Services provided during this period include:
RAI response to District comments.

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
Attn: Accounts Payable
2335 Sanders Road
Northbrook, IL 60062

July 8, 2008
Project No: U0788
Invoice No: 64184

Project #2004092 & PO# 1533 - LUSI North CUP; Clermont, FL
Professional Services through June 22, 2008

Fee

Total Fee	112,549.85		
Percent Complete	74.8584	Total Earned	84,253.02
		Previous Fee Billing	81,296.56
		Current Fee Billing	2,956.46
		Total Fee	2,956.46
		Total this Task	\$2,956.46
		Total this Phase	\$2,956.46
		Total this Invoice	\$2,956.46

Billings to Date

	Current	Prior	Total
Fee	2,956.46	80,998.91	83,955.37
Expense	0.00	297.65	297.65
Totals	2,956.46	81,296.56	84,253.02

Services provided during this period include:
CUP Services.

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
Attn: Accounts Payable
2335 Sanders Road
Northbrook, IL 60062

August 4, 2008
Project No: U0788
Invoice No: 64510

Project #2004092 & PO# 1533 - LUSI North CUP; Clermont, FL
Professional Services through July 20, 2008

Fee

Total Fee	112,549.85			
Percent Complete	78.1126	Total Earned	87,915.61	
		Previous Fee Billing	84,253.02	
		Current Fee Billing	3,662.59	
		Total Fee		3,662.59
		Total this Task		\$3,662.59
		Total this Phase		\$3,662.59
		Total this Invoice		\$3,662.59

Billings to Date

	Current	Prior	Total
Fee	3,662.59	83,955.37	87,617.96
Expense	0.00	297.65	297.65
Totals	3,662.59	84,253.02	87,915.61

Services provided during this period include:
CUP Permitting.

CPH Engineers, Inc. _____

Invoice

Bryan Gongre
Utilities, Inc.
Attn: Accounts Payable
2335 Sanders Road
Northbrook, IL 60062

September 5, 2008
Project No: U0788
Invoice No: 64594

Project #2004092 & PO# 1533 - LUSI North CUP; Clermont, FL
Professional Services through August 17, 2008

Fee

Total Fee	112,549.85			
Percent Complete	86.5551	Total Earned	97,417.64	
		Previous Fee Billing	87,915.61	
		Current Fee Billing	9,502.03	
		Total Fee		9,502.03
			Total this Task	\$9,502.03
			Total this Phase	\$9,502.03
			Total this Invoice	\$9,502.03

Billings to Date

	Current	Prior	Total
Fee	9,502.03	87,617.96	97,119.99
Expense	0.00	297.65	297.65
Totals	9,502.03	87,915.61	97,417.64

Services provided during this period include:
Unaccounted for water analysis and CUP Permitting Services.

CPH Engineers, Inc. _____