

Ruth Nettles

From: Trina Collins [TCollins@RSBattorneys.com]
Sent: Monday, October 13, 2008 4:47 PM
To: Filings@psc.state.fl.us
Cc: jphoy@uiwater.com; pcflynn@uiwater.com; dswain@milianswain.com; Frankden@nettally.com; Martin Friedman; Christian W. Marcelli; Trina Collins
Subject: Filing in Docket No. 080250-SU; Mid-County Services, Inc.'s Application for an Increase in Wastewater Rates Increase in Pinellas County, Florida
Importance: High
Attachments: PSC Clerk 04 (Supplemental Response to Deficiencies).ltr.10-13-2008(6).pdf

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- b. Docket No.: 080250-SU; Mid-County Services, Inc.'s Application for an Increase in Wastewater Rates Increase in Pinellas County, Florida – Filing revised response of Mid-County Services, Inc. to item No. 2 of the Commission Staff's September 19, 2008 correspondence identifying deficiencies in the Company's MFRs filed in the above-referenced proceeding.
- c. Mid-County Services, Inc.
- d. 9 Pages.
- e. Letter to Commission Clerk – 2 pages; Deficiency Responses, Item No. 2 – 2 pages; Allocation of Expenses – 5 pages.

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(LICENSED IN NEW YORK ONLY)

October 13, 2008

E-FILING

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

RE: Docket No. 080250-SU; Mid-County Services, Inc.'s Application for an Increase in Wastewater Rates Increase in Pinellas County, Florida
Our File No.: 30057.155

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket is a revised response to Item No. 2 of the Commission Staff's September 19, 2008 correspondence identifying deficiencies in the Company's MFRs filed in the above-referenced proceeding.

The final paragraph in the Utility's response to Item No. 2 of Staff's deficiency letter should read as follows:

In reference to the discrepancy between Schedule B-6 and Schedule B-12, please see the attached document entitled, "B-12 to GL tie out for deficiency no. 2". This document explains the differences between the per books numbers on the B-6 and the allocations on the B-12. Additionally, the Utility found errors on the second through fourth quarter B-12s. As such, the Utility submits the attached, "Schedule B-12 (Revised)" for filing.

The revised documents referenced in the above paragraph are enclosed herein and replace their respective documents filed by the Utility on October 3, 2008.

DOCUMENT NUMBER-DATE

09728 OCT 13 8

FPSC-COMMISSION CLERK

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
October 13, 2008
Page 2

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

CWM/tlc
Enclosures

cc: 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)
Mr. Frank Seidman (w/enclosures) (via e-mail)

M:\1 ALTAMONTE UTILITIES INC\MID-COUNTY\(.155) MID-COUNTY 2008 RATE CASE\PSC Clerk 04 (Supplemental Response to Deficiencies).ltr.doc

B-12 to GL Tie Out For Deficiency No. 2 (revised)

**MID-COUNTY SERVICES, INC.
DOCKET NO. 080250-SU
DEFICIENCY RESPONSES, ITEM NO. 2**

<u>Account</u>	<u>Description</u>	<u>Period</u>	<u>Per B-12</u>	<u>Per GL</u>	<u>Difference</u>	<u>Explanation</u>
6150	Salaries - Operations Field B-12, page 2, line 2	Mar-07	52,602	52,602	-	N/A
			<u>52,602</u>	<u>52,602</u>	<u>-</u>	
6155	Salaries - Operations Office B-12, page 2, line 3	Mar-07	3,690	3,690	-	N/A
			<u>3,690</u>	<u>3,690</u>	<u>-</u>	
6105	Salaries - System Project	Mar-07	722	722	-	N/A
6110	Salaries - Acctg/Finance	Mar-07	2,235	2,235	-	N/A
6115	Salaries - Admin	Mar-07	683	683	-	N/A
6120	Salaries - Officers/Stkhdr	Mar-07	1,972	3,445	1,473	\$1,473 was booked as an additional allocation of executive salaries. However, this amount cannot be traced back to the allocation workpapers, and therefore is not included in B-12.
6125	Salaries - HR	Mar-07	821	821	-	N/A
6130	Salaries - MIS	Mar-07	28	28	-	N/A
6135	Salaries - Leadership Ops	Mar-07	768	768	-	N/A
6140	Salaries - Regulatory	Mar-07	1,799	1,799	-	N/A
6145	Salaries - Customer Service	Mar-07	57	57	-	N/A
6160	Salaries - Chgd To Plt - WSC	Mar-07	-	-	-	N/A
6165	Capitalized Time Adjustment B-12, page 2, line 4	Mar-07	-	(356)	(356)	\$(356) was booked as an allocation of capitalized time. However, this amount cannot be traced back to the allocation workpapers, and therefore is not included in B-12.
			<u>9,085</u>	<u>10,202</u>	<u>1,117</u>	
6150	Salaries - Operations Field B-12, page 3, line 2	Jun-07	46,225	46,225	-	N/A
			<u>46,225</u>	<u>46,225</u>	<u>-</u>	
6155	Salaries - Operations Office B-12, page 3, line 3	Jun-07	4,049	4,049	-	N/A
			<u>4,049</u>	<u>4,049</u>	<u>-</u>	
6105	Salaries - System Project	Jun-07	895	895	-	N/A
6110	Salaries - Acctg/Finance	Jun-07	2,448	2,448	-	N/A
6115	Salaries - Admin	Jun-07	464	464	-	N/A
6120	Salaries - Officers/Stkhdr	Jun-07	2,047	3,002	955	An additional allocation of \$955 was made to capture amounts booked after the original allocation. A revised B-12 has been submitted.
6125	Salaries - HR	Jun-07	874	874	-	N/A
6130	Salaries - MIS	Jun-07	26	26	-	N/A
6135	Salaries - Leadership Ops	Jun-07	467	467	-	N/A
6140	Salaries - Regulatory	Jun-07	1,849	1,849	-	N/A
6145	Salaries - Customer Service	Jun-07	-	-	-	N/A
6160	Salaries - Chgd To Plt - WSC	Jun-07	-	-	-	N/A
6165	Capitalized Time Adjustment B-12, page 3, line 4	Jun-07	-	(893)	(893)	\$(893) was booked as an allocation of capitalized time. However, this amount cannot be traced back to the allocation workpapers, and therefore is not included in B-12.
			<u>9,070</u>	<u>9,132</u>	<u>62</u>	

DOCUMENT NO. DATE
09728-08 10/13/08
FPSC - COMMISSION CLERK

B-12 to GL Tie Out For Deficiency No. 2 (revised)

**MID-COUNTY SERVICES, INC.
DOCKET NO. 080250-SU
DEFICIENCY RESPONSES, ITEM NO. 2**

6150	Salaries - Operations Field B-12, page 4, line 2	Sep-07	<u>46,865</u>	<u>46,865</u>	-	N/A
			<u>46,865</u>	<u>46,865</u>	-	
6155	Salaries - Operations Office B-12, page 4, line 3	Sep-07	<u>7,153</u>	<u>7,153</u>	-	N/A
			<u>7,153</u>	<u>7,153</u>	-	
6105	Salaries - System Project	Sep-07	1,517	1,517	-	N/A
6110	Salaries - Acctg/Finance	Sep-07	3,211	3,211	-	N/A
6115	Salaries - Admin	Sep-07	841	841	-	N/A
						An additional allocation of (\$4,672) was made to capture amounts booked after the original allocation. A revised B-12
6120	Salaries - Officers/Stkhldr	Sep-07	4,829	157	(4,672)	has been submitted.
6125	Salaries - HR	Sep-07	1,536	1,536	-	N/A
6130	Salaries - MIS	Sep-07	36	36	-	N/A
6135	Salaries - Leadership Ops	Sep-07	1,374	1,374	-	N/A
6140	Salaries - Regulatory	Sep-07	3,015	3,015	-	N/A
6145	Salaries - Customer Service	Sep-07	-	-	-	N/A
6160	Salaries - Chgd To Plt - WSC	Sep-07	-	-	-	N/A
6165	Capitalized Time Adjustment B-12, page 4, line 4	Sep-07	-	-	-	N/A
			<u>16,359</u>	<u>11,687</u>	<u>(4,672)</u>	
6150	Salaries - Operations Field B-12, page 5, line 2	Dec-07	<u>49,736</u>	<u>49,736</u>	-	N/A
			<u>49,736</u>	<u>49,736</u>	-	
						An additional allocation of (\$19) was made to capture amounts booked after the original allocation. A revised B-12 has been
6155	Salaries - Operations Office B-12, page 5, line 3	Dec-07	<u>7,265</u>	<u>7,246</u>	(19)	submitted.
			<u>7,265</u>	<u>7,246</u>	(19)	
6105	Salaries - System Project	Dec-07	1,885	1,885	-	N/A
6110	Salaries - Acctg/Finance	Dec-07	3,955	3,955	-	N/A
6115	Salaries - Admin	Dec-07	874	874	-	N/A
6120	Salaries - Officers/Stkhldr	Dec-07	4,636	4,636	-	N/A
6125	Salaries - HR	Dec-07	1,556	1,556	-	N/A
6130	Salaries - MIS	Dec-07	35	35	-	N/A
						An additional allocation of \$7 was made to capture amounts booked after the original allocation. A revised B-12 has been
6135	Salaries - Leadership Ops	Dec-07	1,366	1,373	7	submitted.
6140	Salaries - Regulatory	Dec-07	2,904	2,904	-	N/A
6145	Salaries - Customer Service	Dec-07	-	-	-	N/A
						An additional allocation of \$4,841 was made to capture amounts booked after the original allocation. A revised B-12
6160	Salaries - Chgd To Plt - WSC	Dec-07	-	4,841	4,841	has been submitted.
						An incorrect allocation was originally made in this account, and then reversed. The reversal was not captured in the
6165	Capitalized Time Adjustment B-12, page 5, line 4	Dec-07	<u>(4,476)</u>	<u>-</u>	<u>4,476</u>	original B-12. A revised B-12 has been submitted.
			<u>12,735</u>	<u>22,059</u>	<u>9,324</u>	
	Total B-12, page 1, line 2		195,428			
	Total B-12, page 1, line 3		22,157			
	Total B-12, page 1, line 4		47,249			

Allocation of Expenses

Company: Mid-County Services, Inc.
 Docket No.:
 Schedule Year Ended: 12/31/07
 Interim Final
 Historical Projected

Preparer: Erin Povich

Explanation: Provide a schedule detailing expenses which are subject to allocation between systems (water, sewer & gas, etc.) showing allocation percentages, gross amounts, amounts allocated, and a detailed description. Provide a description of all systems other than water and sewer.

Mid-County Services, Inc.
 Allocation Percentage

Line No.	G/L Acct. No.	Description	Allocation Percentages			Description of Allocation Method	Historical Year Ending December 31, 2007			Allocation Percentage	
			Mid-County	Other Companies/Systems	Total		Amounts Allocated			0.00% Water	100.00% Sewer
							Mid-County	Other Companies/Systems	Total		
1	Water Service Corp. Allocated Expenses (SE.50):										
2	601	Salaries - Operations	2.66%	97.34%	100.00%	ERC	\$195,428	\$7,164,227	\$7,359,655		\$195,428
3	601	Salaries - Office	2.18%	97.82%	100.00%	ERC	22,157	995,070	1,017,227		22,157
4	601	Salaries - Northbrook	1.12%	98.88%	100.00%	ERC	52,837	4,677,732	4,730,569		52,837
5	604	Pension & Benefits (All UI employees)	0.97%	99.03%	100.00%	ERC	47,284	4,809,338	4,856,622		47,284
6	408	Taxes Other Than Income	1.11%	98.89%	100.00%	ERC	22,185	1,976,411	1,998,596		22,185
7							<u>\$339,891</u>	<u>\$19,622,778</u>	<u>\$19,962,669</u>	<u>\$0</u>	<u>\$339,891</u>
8											
9	Water Service Corp. Allocated Expenses (SE.51):										
10	403	Depreciation Expense	0.32%	99.68%	100.00%	ERC	\$231	\$72,710	\$72,941		\$231
11	620	Materials and Supplies	0.04%	99.96%	100.00%	ERC	25	59,701	59,726		25
12	636	Contractual Services Other	0.04%	99.96%	100.00%	ERC	434	1,086,681	1,087,115		434
13	675	Miscellaneous Expenses	0.04%	99.96%	100.00%	ERC	14	32,536	32,550		14
14							<u>\$704</u>	<u>\$1,251,628</u>	<u>\$1,252,332</u>	<u>\$0</u>	<u>\$704</u>
15											
16	Water Service Corp. Allocated Expenses (SE.60):										
17	403	Depreciation Expense	1.06%	98.94%	100.00%	ERC	\$1,535	\$142,803	\$144,338		\$1,535
18	408	Taxes Other than Income	1.07%	98.93%	100.00%	ERC	760	70,588	71,348		760
19	419	Interest and Dividend Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
20	427	Interest Expense	1.88%	98.12%	100.00%	ERC	(5,288)	(275,895)	(281,183)		(5,288)
21	604	Employee Benefits	1.01%	98.99%	100.00%	ERC	894	87,633	88,527		200
22	620	Materials and Supplies	0.78%	99.22%	100.00%	ERC	2,696	341,888	344,584		2,696
23	632	Contractual Services - Accounting	1.27%	98.73%	100.00%	ERC	5,435	422,602	428,037		5,435
24	633	Contractual Services - Legal	1.28%	98.72%	100.00%	ERC	1,325	102,299	103,624		1,325
25	636	Contractual Services - Other	1.23%	98.77%	100.00%	ERC	8,086	651,845	659,931		8,086
26	650	Transportation Expenses	1.25%	98.75%	100.00%	ERC	288	22,662	22,950		288
27	670	Bad Debt Expense	1.16%	98.84%	100.00%	ERC	166	14,162	14,328		166
28	675	Miscellaneous Expenses	1.20%	98.80%	100.00%	ERC	15,150	1,244,994	1,260,144		15,150
29	659	Other Insurance	0.49%	99.51%	100.00%	ERC	11,327	2,296,991	2,308,318		11,327
30							<u>\$42,374</u>	<u>\$5,122,571</u>	<u>\$5,164,945</u>	<u>\$0</u>	<u>\$41,680</u>
31											
32	Water Service Corp. Allocated Expenses (SE.90):										
33	Regional Office Allocations										
34	403	Depreciation Expenses	3.27%	96.73%	100.00%	ERC	\$889	\$26,338	\$27,227		\$889
35	408	Taxes Other than Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
36	412.11	Investment Tax Credit	0.00%	0.00%	0.00%	ERC	-	-	-		-
37	414	Gain (Losses) from Disposition	0.00%	0.00%	0.00%	ERC	-	-	-		-
38	420	AFUDC	0.00%	0.00%	0.00%	ERC	-	-	-		-
39	421	Non-Utility Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
40	620	Materials and Supplies	4.51%	95.49%	100.00%	ERC	1,773	37,537	39,310		1,773
41	633	Contractual Services - Legal	0.00%	0.00%	0.00%	ERC	-	-	-		-
42	636	Contractual Services - Other	4.51%	95.49%	100.00%	ERC	1,915	40,593	42,508		1,915
43	650	Transportation Expenses	0.00%	0.00%	0.00%	ERC	-	-	-		-
44	659	Other Insurance	0.00%	0.00%	0.00%	ERC	-	-	-		-
45	666	Reg. Commission Exp.	0.00%	0.00%	0.00%	ERC	-	-	-		-
46	675	Miscellaneous Expenses	4.51%	95.49%	100.00%	ERC	10,409	220,633	231,042		10,409
47							<u>\$ 14,986</u>	<u>\$ 325,102</u>	<u>\$ 340,088</u>	<u>\$0</u>	<u>\$ 14,986</u>

Allocation of Expenses

Company: Mid-County Services, Inc.
 Docket No.: 080250-SU
 Schedule Year Ended: 12/31/07
 Interim Final
 Historical Projected

Schedule B-12 (revised)
 Page 2 of 5
 Preparer: Kirsten Weeks

Explanation: Provide a schedule detailing expenses which are subject to allocation between systems (water, sewer & gas, etc.) showing allocation percentages, gross amounts, amounts allocated, and a detailed description. Provide a description of all systems other than water and sewer.

Mid-County Services, Inc.
 Allocation Percentage

Line No.	G/L Acct. No.	Description	Allocation Percentages			Description of Allocation Method	Historical Quarter Ending March 31, 2007 Amounts Allocated			Allocation Percentage	
			Mid-County	Other Companies/ Systems	Total		Mid-County	Other Companies/ Systems	Total	0.00% Water	100.00% Sewer
<u>Water Service Corp. Allocated Expenses (SE.50):</u>											
2	601	Salaries - Operations	1.25%	98.8%	100.0%	ERC	\$52,602	#####	\$4,218,712		\$52,602
3	601	Salaries - Office	0.62%	99.4%	100.0%	ERC	3,690	594,766	598,456		3,690
4	601	Salaries - Northbrook	0.85%	99.2%	100.0%	ERC	9,085	1,061,586	1,070,671		9,085
5	604	Pension & Benefits (All UI employees)	1.07%	98.9%	100.0%	ERC	11,305	1,040,857	1,052,162		11,305
6	408	Taxes Other Than Income	1.13%	98.9%	100.0%	ERC	6,996	611,209	618,205		6,996
7							<u>\$83,678</u>	<u>#####</u>	<u>\$7,558,206</u>	<u>\$0</u>	<u>\$83,678</u>
8											
<u>Water Service Corp. Allocated Expenses (SE.51):</u>											
10	403	Depreciation Expense	0.82%	99.2%	100.0%	ERC	\$452	\$54,744	\$55,196		\$452
11	620	Materials and Supplies	0.04%	100.0%	100.0%	ERC	6	15,438	15,444		6
12	636	Contractual Services Other	0.04%	100.0%	100.0%	ERC	74	185,879	185,953		74
13	675	Miscellaneous Expenses	0.04%	100.0%	100.0%	ERC	11	25,589	25,600		11
14							<u>\$543</u>	<u>\$281,650</u>	<u>\$282,193</u>	<u>\$0</u>	<u>\$543</u>
15											
<u>Water Service Corp. Allocated Expenses (SE.60):</u>											
17	403	Depreciation Expense	0.86%	99.1%	100.0%	ERC	\$423	\$48,760	\$49,183		\$423
18	408	Taxes Other than Income	0.82%	99.2%	100.0%	ERC	146	17,691	17,837		146
19	419	Interest and Dividend Income	0.00%	0.0%	0.0%	ERC	-	-	-		-
20	427	Interest Expense	0.41%	99.6%	100.0%	ERC	292	70,966	71,258		292
21	604	Employee Benefits	0.82%	99.2%	100.0%	ERC	284	34,401	34,685		284
22	620	Materials and Supplies	0.72%	99.3%	100.0%	ERC	437	60,579	61,016		437
23	632	Contractual Services - Accounting	0.91%	99.1%	100.0%	ERC	1,499	163,976	165,475		1,499
24	633	Contractual Services - Legal	0.90%	99.1%	100.0%	ERC	66	7,231	7,297		66
25	636	Contractual Services - Other	0.91%	99.1%	100.0%	ERC	408	44,615	45,023		408
26	650	Transportation Expenses	0.92%	99.1%	100.0%	ERC	33	3,572	3,605		33
27	670	Bad Debt Expense	0.91%	99.1%	100.0%	ERC	56	6,082	6,138		56
28	675	Miscellaneous Expenses	0.85%	99.1%	100.0%	ERC	1,789	207,936	209,725		1,789
29	659	Other Insurance	0.28%	99.7%	100.0%	ERC	1,591	564,430	566,021		1,591
30							<u>\$7,024</u>	<u>#####</u>	<u>\$1,237,265</u>	<u>\$0</u>	<u>\$6,740</u>
31											
<u>Water Service Corp. Allocated Expenses (SE.90):</u>											
<u>Regional Office Allocations</u>											
34	403	Depreciation Expenses	4.94%	95.06%	100.00%	ERC	\$336	\$6,471	\$6,807		\$336
35	408	Taxes Other than Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
36	412.11	Investment Tax Credit	0.00%	0.00%	0.00%	ERC	-	-	-		-
37	414	Gain (Losses) from Disposition	0.00%	0.00%	0.00%	ERC	-	-	-		-
38	420	AFUDC	0.00%	0.00%	0.00%	ERC	-	-	-		-
39	421	Non-Utility Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
40	620	Materials and Supplies	4.95%	95.05%	100.00%	ERC	486	9,342	9,828		486
41	633	Contractual Services - Legal	0.00%	0.00%	0.00%	ERC	-	-	-		-
42	636	Contractual Services - Other	4.94%	95.06%	100.00%	ERC	525	10,102	10,627		525
43	650	Transportation Expense	0.00%	0.00%	0.00%	ERC	-	-	-		-
44	659	Other Insurance	0.00%	0.00%	0.00%	ERC	-	-	-		-
45	666	Reg. Commission Exp.	0.00%	0.00%	0.00%	ERC	-	-	-		-
46	675	Miscellaneous Expenses	4.94%	95.06%	100.00%	ERC	2,852	54,909	57,761		2,852
47							<u>\$ 4,199</u>	<u>\$ 80,823</u>	<u>\$ 85,022</u>	<u>\$0</u>	<u>\$ 4,199</u>

Allocation of Expenses

Company: Mid-County Services, Inc.
 Docket No.: 080250-SU
 Schedule Year Ended: 12/31/07
 Interim Final
 Historical Projected

Schedule B-12 (revised)
 Page 3 of 5

Preparer: Kirsten Weeks

Explanation: Provide a schedule detailing expenses which are subject to allocation between systems (water, sewer & gas, etc.) showing allocation percentages, gross amounts, amounts allocated, and a detailed description. Provide a description of all systems other than water and sewer.

Mid-County Services, Inc.
 Allocation Percentage

Line No.	G/L Acct. No.	Description	Allocation Percentages			Description of Allocation Method	Historical Quarter Ending June 30, 2007			0.00% Water	100.00% Sewer
			Mid-County	Other Companies/ Systems	Total		Amounts Allocated				
							Mid-County	Other Companies/ Systems	Total		
Water Service Corp. Allocated Expenses (SE.50):											
2	601	Salaries - Operations	4.66%	95.34%	100.00%	ERC	\$46,225	\$945,075	\$991,300		\$46,225
3	601	Salaries - Office	3.15%	96.85%	100.00%	ERC	4,049	124,345	128,394		4,049
4	601	Salaries - Northbrook	0.86%	99.14%	100.00%	ERC	10,025	1,159,330	1,169,355		10,025
5	604	Pension & Benefits (All UI employees)	0.97%	99.03%	100.00%	ERC	10,754	1,101,080	1,111,834		10,754
6	408	Taxes Other Than Income	1.01%	98.99%	100.00%	ERC	4,628	452,565	457,193		4,628
7							<u>\$75,681</u>	<u>\$3,782,395</u>	<u>\$3,858,076</u>	<u>\$0</u>	<u>\$75,681</u>
8											
Water Service Corp. Allocated Expenses (SE.51):											
10	403	Depreciation Expense	0.82%	99.18%	100.00%	ERC	\$755	\$91,511	\$92,266		\$755
11	620	Materials and Supplies	0.04%	99.96%	100.00%	ERC	9	20,725	20,734		9
12	636	Contractual Services Other	0.04%	99.96%	100.00%	ERC	113	283,142	283,255		113
13	675	Miscellaneous Expenses	0.04%	99.96%	100.00%	ERC	1	2,683	2,684		1
14							<u>\$878</u>	<u>\$398,061</u>	<u>\$398,939</u>	<u>\$0</u>	<u>\$878</u>
15											
Water Service Corp. Allocated Expenses (SE.60):											
17	403	Depreciation Expense	0.85%	99.15%	100.00%	ERC	\$357	\$41,599	\$41,956		\$357
18	408	Taxes Other than Income	0.82%	99.18%	100.00%	ERC	146	17,691	17,837		146
19	419	Interest and Dividend Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
20	427	Interest Expense	0.38%	99.62%	100.00%	ERC	284	74,460	74,744		284
21	604	Employee Benefits					160		19,546		
22	620	Materials and Supplies	0.70%	99.30%	100.00%	ERC	419	59,224	59,643		419
23	632	Contractual Services - Accounting	0.90%	99.10%	100.00%	ERC	(190)	(20,846)	(21,036)		(190)
24	633	Contractual Services - Legal	0.90%	99.10%	100.00%	ERC	234	25,644	25,878		234
25	636	Contractual Services - Other	0.90%	99.10%	100.00%	ERC	2,079	227,742	229,821		2,079
26	650	Transportation Expenses					45	4,910	4,955		45
27	670	Bad Debt Expense	0.91%	99.09%	100.00%	ERC	15	1,629	1,644		15
28	675	Miscellaneous Expenses	0.85%	99.15%	100.00%	ERC	1,659	192,866	194,525		1,659
29	659	Other Insurance	0.27%	99.73%	100.00%	ERC	1,489	550,539	552,028		1,489
30							<u>\$6,697</u>	<u>\$1,175,458</u>	<u>\$1,201,541</u>	<u>\$0</u>	<u>\$6,537</u>
31											
Water Service Corp. Allocated Expenses (SE.90):											
Regional Office Allocations											
34	403	Depreciation Expenses	3.16%	96.84%	100.00%	ERC	\$215	\$6,592	\$6,807		215
35	408	Taxes Other than Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
36	412.11	Investment Tax Credit	0.00%	0.00%	0.00%	ERC	-	-	-		-
37	414	Gain (Losses) from Disposition	0.00%	0.00%	0.00%	ERC	-	-	-		-
38	420	AFUDC	0.00%	0.00%	0.00%	ERC	-	-	-		-
39	421	Non-Utility Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
40	620	Materials and Supplies	3.15%	96.85%	100.00%	ERC	310	9,518	9,828		310
41	633	Contractual Services - Legal	0.00%	0.00%	0.00%	ERC	-	-	-		-
42	636	Contractual Services - Other	3.15%	96.85%	100.00%	ERC	335	10,292	10,627		335
43	650	Transportation Expenses	0.00%	0.00%	0.00%	ERC	-	-	-		-
44	659	Other Insurance	0.00%	0.00%	0.00%	ERC	-	-	-		-
45	666	Reg. Commission Exp.	0.00%	0.00%	0.00%	ERC	-	-	-		-
46	675	Miscellaneous Expenses	3.15%	96.85%	100.00%	ERC	1,820	55,941	57,761		1,820
47							<u>\$ 2,680</u>	<u>\$ 82,342</u>	<u>\$ 85,022</u>	<u>\$0</u>	<u>\$ 2,680</u>

Allocation of Expenses

Company: Mid-County Services, Inc.
 Docket No.: 080250-SU
 Schedule Year Ended: 12/31/07
 Interim Final
 Historical Projected

Schedule B-12 (revised)
 Page 4 of 5

Preparer: Kirsten Weeks

Explanation: Provide a schedule detailing expenses which are subject to allocation between systems (water, sewer & gas, etc.) showing allocation percentages, gross amounts, amounts allocated, and a detailed description. Provide a description of all systems other than water and sewer.

											Mid-County Services, Inc. Allocation Percentage									
											(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
											Allocation Percentages			Historical Quarter Ending September 30, 2007						
Line No.	G/L Acct. No.	Description	Allocation Percentages			Description of Allocation Method	Amounts Allocated			0.00% Water	100.00% Sewer									
			Mid-County	Other Companies/Systems	Total		Mid-County	Other Companies/Systems	Total											
1	<u>Water Service Corp. Allocated Expenses (SE.50):</u>																			
2	601	Salaries - Operations	4.75%	95.25%	100.00%	ERC	\$46,865	\$940,232	\$987,097		\$46,865									
3	601	Salaries - Office	4.96%	95.04%	100.00%	ERC	7,153	137,040	144,193		7,153									
4	601	Salaries - Northbrook	1.31%	98.69%	100.00%	ERC	11,687	879,584	891,271		11,687									
5	604	Pension & Benefits (All UI employees)	0.87%	99.13%	100.00%	ERC	11,236	1,277,252	1,288,488		11,236									
6	408	Taxes Other Than Income	1.12%	98.88%	100.00%	ERC	5,190	456,728	461,918		5,190									
7							<u>\$82,131</u>	<u>\$3,690,837</u>	<u>\$3,772,968</u>	<u>\$0</u>	<u>\$82,131</u>									
8																				
9	<u>Water Service Corp. Allocated Expenses (SE.51):</u>																			
10	403	Depreciation Expense	1.31%	98.69%	100.00%	ERC	(\$1,161)	(\$87,430)	(\$88,591)		(\$1,161)									
11	620	Materials and Supplies	0.04%	99.96%	100.00%	ERC	\$8	\$19,177	19,185		8									
12	636	Contractual Services Other	0.04%	99.96%	100.00%	ERC	115	287,594	287,709		115									
13	675	Miscellaneous Expenses	0.07%	99.93%	100.00%	ERC	2	2,791	2,793		2									
14							<u>(\$1,036)</u>	<u>\$222,132</u>	<u>\$221,096</u>	<u>\$0</u>	<u>(\$1,036)</u>									
15																				
16	<u>Water Service Corp. Allocated Expenses (SE.60):</u>																			
17	403	Depreciation Expense	1.35%	98.65%	100.00%	ERC	\$503	\$36,664	\$37,167		\$503									
18	408	Taxes Other than Income	1.31%	98.69%	100.00%	ERC	234	17,603	17,837		234									
19	419	Interest and Dividend Income	0.00%	0.00%	0.00%	ERC	-	-	-		-									
20	427	Interest Expense	1.42%	98.58%	100.00%	ERC	(2,910)	(202,383)	(205,293)		(2,910)									
21	604	Employee Benefits	1.31%	98.69%	100.00%	ERC	200	15,072	15,272		200									
22	620	Materials and Supplies	1.12%	98.88%	100.00%	ERC	871	76,682	77,553		871									
23	632	Contractual Services - Accounting	1.45%	98.55%	100.00%	ERC	1,115	75,700	76,815		1,115									
24	633	Contractual Services - Legal	1.45%	98.55%	100.00%	ERC	326	22,123	22,449		326									
25	636	Contractual Services - Other	1.45%	98.55%	100.00%	ERC	2,726	185,054	187,780		2,726									
26	650	Transportation Expenses	1.46%	98.54%	100.00%	ERC	95	6,415	6,510		95									
27	670	Bad Debt Expense	1.45%	98.55%	100.00%	ERC	73	4,965	5,038		73									
28	675	Miscellaneous Expenses	1.37%	98.63%	100.00%	ERC	6,041	435,760	441,801		6,041									
29	659	Other Insurance	0.32%	99.68%	100.00%	ERC	1,890	589,214	591,104		1,890									
30							<u>\$11,164</u>	<u>\$1,262,868</u>	<u>\$1,274,032</u>	<u>\$0</u>	<u>\$11,164</u>									
31																				
32	<u>Water Service Corp. Allocated Expenses (SE.90):</u>																			
33	<u>Regional Office Allocations</u>																			
34	403	Depreciation Expenses	4.97%	95.03%	100.00%	ERC	\$338	\$6,469	\$6,807		\$338									
35	408	Taxes Other than Income	0.00%	0.00%	0.00%	ERC	-	-	-		-									
36	412.11	Investment Tax Credit	0.00%	0.00%	0.00%	ERC	-	-	-		-									
37	414	Gain (Losses) from Disposition	0.00%	0.00%	0.00%	ERC	-	-	-		-									
38	420	AFUDC	0.00%	0.00%	0.00%	ERC	-	-	-		-									
39	421	Non-Utility Income	0.00%	0.00%	0.00%	ERC	-	-	-		-									
40	620	Materials and Supplies	4.97%	95.03%	100.00%	ERC	488	9,340	9,828		488									
41	633	Contractual Services - Legal	0.00%	0.00%	0.00%	ERC	-	\$0	-		-									
42	636	Contractual Services - Other	4.96%	95.04%	100.00%	ERC	527	10,100	10,627		527									
43	650	Transportation Expenses	0.00%	0.00%	0.00%	ERC	-	-	-		-									
44	659	Other Insurance	0.00%	0.00%	0.00%	ERC	-	-	-		-									
45	666	Reg. Commission Exp.	0.00%	0.00%	0.00%	ERC	-	-	-		-									
46	675	Miscellaneous Expenses	4.96%	95.04%	100.00%	ERC	2,865	54,896	57,761		2,865									
47							<u>\$ 4,218</u>	<u>\$ 80,804</u>	<u>\$ 85,022</u>	<u>\$0</u>	<u>\$ 4,218</u>									

Allocation of Expenses

Company: Mid-County Services, Inc.
 Docket No.: 080250-SU
 Schedule Year Ended: 12/31/07
 Interim [] Final [x]
 Historical [x] Projected []

Schedule B-12 (revised)
 Page 5 of 5

Preparer: Kirsten Weeks

Explanation: Provide a schedule detailing expenses which are subject to allocation between systems (water, sewer & gas, etc.) showing allocation percentages, gross amounts, amounts allocated, and a detailed description. Provide a description of all systems other than water and sewer.

Mid-County Services, Inc.
 Allocation Percentage

Line No.	G/L Acct. No.	Description	Allocation Percentages			Description of Allocation Method	Historical Quarter Ending December 31, 2007			Allocation Percentage	
			Mid-County	Other Companies/ Systems	Total		Amounts Allocated			0.00% Water	100.00% Sewer
							Mid-County	Other Companies/ Systems	Total		
1		Water Service Corp. Allocated Expenses (SE.50):									
2	601	Salaries - Operations	4.28%	95.72%	100.00%	ERC	\$49,736	\$1,112,810	\$1,162,546		\$49,736
3	601	Salaries - Office	4.97%	95.03%	100.00%	ERC	7,265	138,919	146,184		7,265
4	601	Salaries - Northbrook	1.38%	98.62%	100.00%	ERC	22,040	1,577,231	1,599,271		22,040
5	604	Pension & Benefits (All UI employees)	1.00%	99.00%	100.00%	ERC	13,989	1,390,149	1,404,138		13,989
6	408	Taxes Other Than Income	1.16%	98.84%	100.00%	ERC	5,371	455,908	461,279		5,371
7							<u>\$98,401</u>	<u>\$4,675,018</u>	<u>\$4,773,419</u>	<u>\$0</u>	<u>\$98,401</u>
8											
9		Water Service Corp. Allocated Expenses (SE.51):									
10	403	Depreciation Expense	1.31%	98.69%	100.00%	ERC	\$185	\$13,885	\$14,070		\$185
11	620	Materials and Supplies	0.05%	99.95%	100.00%	ERC	\$2	\$4,361	4,363		2
12	636	Contractual Services Other	0.04%	99.96%	100.00%	ERC	132	330,066	330,198		132
13	675	Miscellaneous Expenses	0.00%	100.00%	100.00%	ERC	-	1,473	1,473		-
14							<u>\$319</u>	<u>\$349,784</u>	<u>\$350,103</u>	<u>\$0</u>	<u>\$319</u>
15											
16		Water Service Corp. Allocated Expenses (SE.60):									
17	403	Depreciation Expense	1.57%	98.43%	100.00%	ERC	\$252	\$15,779	\$16,031		\$252
18	408	Taxes Other than Income	1.31%	98.69%	100.00%	ERC	234	17,603	17,837		234
19	419	Interest and Dividend Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
20	427	Interest Expense	1.33%	98.67%	100.00%	ERC	(2,954)	(218,938)	(221,892)		(2,954)
21	604	Employee Benefits	1.31%	0.00%	100.00%	ERC	250	-	19,024		250
22	620	Materials and Supplies	0.66%	99.34%	100.00%	ERC	969	145,403	146,372		969
23	632	Contractual Services - Accounting	1.46%	98.54%	100.00%	ERC	3,011	203,772	206,783		3,011
24	633	Contractual Services - Legal	1.46%	98.54%	100.00%	ERC	699	47,301	48,000		699
25	636	Contractual Services - Other	1.46%	98.54%	100.00%	ERC	2,873	194,433	197,306		2,873
26	650	Transportation Expenses	1.46%	98.54%	100.00%	ERC	115	7,765	7,880		115
27	670	Bad Debt Expense	1.46%	98.54%	100.00%	ERC	22	1,485	1,507		22
28	675	Miscellaneous Expenses	1.37%	98.63%	100.00%	ERC	5,661	408,433	414,094		5,661
29	659	Other Insurance	1.06%	98.94%	100.00%	ERC	6,357	592,808	599,165		6,357
30							<u>\$17,489</u>	<u>\$1,415,845</u>	<u>\$1,452,108</u>	<u>\$0</u>	<u>\$17,239</u>
31											
32		Water Service Corp. Allocated Expenses (SE.90):									
33		Regional Office Allocations									
34	403	Depreciation Expenses	0.00%	100.00%	100.00%	ERC	\$0	\$6,807	\$6,807		\$0
35	408	Taxes Other than Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
36	412.11	Investment Tax Credit	0.00%	0.00%	0.00%	ERC	-	-	-		-
37	414	Gain (Losses) from Disposition	0.00%	0.00%	0.00%	ERC	-	-	-		-
38	420	AFUDC	0.00%	0.00%	0.00%	ERC	-	-	-		-
39	421	Non-Utility Income	0.00%	0.00%	0.00%	ERC	-	-	-		-
40	620	Materials and Supplies	4.98%	95.02%	100.00%	ERC	489	9,339	9,828		489
41	633	Contractual Services - Legal	0.00%	0.00%	0.00%	ERC	-	\$0	-		-
42	636	Contractual Services - Other	4.97%	95.03%	100.00%	ERC	528	10,099	10,627		528
43	650	Transportation Expenses	0.00%	0.00%	0.00%	ERC	-	-	-		-
44	659	Other Insurance	0.00%	0.00%	0.00%	ERC	-	-	-		-
45	666	Reg. Commission Exp.	0.00%	0.00%	0.00%	ERC	-	-	-		-
46	675	Miscellaneous Expenses	4.97%	95.03%	100.00%	ERC	2,872	54,889	57,761		2,872
47							<u>\$3,889</u>	<u>\$81,133</u>	<u>\$85,022</u>	<u>\$0</u>	<u>\$3,889</u>