

MATTHEW M. CARTER II
CHAIRMAN

STATE OF FLORIDA



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Public Service Commission

December 24, 2009

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COMMISSION
CLERK

Mr. Christian Marcelli
Rose, Sundstrom & Bentley, LLP
Sanlando Center
2180 W. State Road 434, Suite 2118
Longwood, FL 32779

Re: Docket No. 090526-WS – Application for increase in water and wastewater rates in Lee County by North Fort Myers Utility, Inc.

Dear Mr. Marcelli:

The Florida Public Service Commission received your December 4, 2009 letter regarding a proposed rate case by North Fort Myers Utility, Inc. (NFMU or Utility). In that letter, NFMU requested to use a historic test year ended December 31, 2009, for establishing final rates.

You state the Utility will file its application using the Proposed Agency Action provision set forth in Section 367.081(8), Florida Statutes (F.S.). Pursuant to Rule 25-30.430, F.A.C., NFMU's test year request as outlined above is hereby approved for purposes of filing its Minimum Filing Requirements (MFRs). Docket No. 090526-WS has been assigned to the forthcoming case. Your petition will be deemed filed on the date the Office of Commission Clerk receives the complete petition, the MFRs, and the filing fee. To process this case expeditiously, we request that you file the above no later than June 1, 2010.

Pursuant to Section 367.083, F.S., the official filing date will be the date that complete corrections to any deficiencies, if any, are filed. Please note that many schedules included in the MFRs are designed with a column titled "Balance Per Books." This column must reflect the balances on the general ledger and be reconciled with the balances reported in the Utility's Annual Report on file with the Commission. This requirement is applicable to all primary account balances as required by the NARUC Uniform System of Accounts. Pursuant to Rule 25-30.110(2), F.A.C., all data the Commission requests and requires to be submitted in determining a utility's rates "shall be consistent with and reconcilable with the utility's annual report to the Commission."

In addition, NFMU should satisfactorily document that it has recorded all adjustments to the Utility's general ledger and accounts that have been ordered by the Commission in any prior proceeding relating to this system. If adjustments were ordered for prior periods that impact subsequent years, the related adjustments shall also be made to reflect the impact for the appropriate period up to and including the approved test year. Further, NFMU should be prepared to justify its requested test year operation and maintenance expenses, particularly those which have increased above the level of customer growth and inflation from the year ended five years prior to the test year.

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The Utility is instructed to file all information it wishes the Commission to consider when arriving at a decision on its rate case application with its original filing. Because of the time limitations contained in Section 367.081, F.S., and the lengthy auditing and investigation required, the Commission may disregard any information not filed with the original application. If you have any questions, please contact Bart Fletcher at (850) 413-7017 or bart.fletcher@psc.state.fl.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matthew M. Carter II', written in a cursive style.

Matthew M. Carter II
Chairman

cc: Dr. Mary Bane, Executive Director
Mr. Curt Kiser, General Counsel
Division of Economic Regulation (Devlin, Willis, Bulecza-Banks, Fletcher, Daniel)
Office of the General Counsel (Brubaker)
Office of Commission Clerk (Docket No. 090526-WS)
Mr. J.R. Kelly, Office of Public Counsel