

Marguerite McLean090182 -SU

From: Trina Collins [TCollins@RSBattorneys.com]
Sent: Monday, February 08, 2010 12:00 PM
To: Filings@psc.state.fl.us
Cc: ewallace@niamerica.com; BWilkinson@niamerica.com; donald.clayton@tangibl.com; Curt Mouring; Stan Rieger; Martin Friedman; Christian W. Marcelli; Trina Collins
Subject: Filing in Docket No. 090182-SU; Ni Florida, LLC's Application for Increase in Wastewater Rates in Pasco County, Florida
Importance: High
Attachments: PSC Clerk 20 (Response to 2d Data Request).ltr.pdf

- a. Martin S. Friedman, Esq.
 Christian W. Marcelli, Esq.
 Rose, Sundstrom & Bentley, LLP
 Sanlando Center
 2180 W. State Road 434, Suite 2118
 Longwood, FL 32779
 Phone: (407) 830-6331
 Fax: (407) 830-8522
 Email: mfriedman@rsbattorneys.com
cmarcelli@rsbattorneys.com
- b. Docket No.: 090182-SU; Ni Florida, LLC's Application for Increase in Wastewater Rates in Pasco County, Florida - Filing Ni Florida, LLC's response to Staff's Second Data Request, dated January 25, 2010.
- c. Ni Florida, LLC
- d. 12 Pages.
- e. Letter to Commission Clerk and response attachments to Staff's Second Data Request - 12 pages.

DOCUMENT NO. DATE

00840-10 2/8/10
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2/8/2010

LAW OFFICES
ROSE, SUNDSTROM & BENTLEY, LLP
2548 BLAIRSTONE PINES DRIVE
TALLAHASSEE, FLORIDA 32301

FREDERICK L. ASCHAUER, JR.
CHRIS H. BENTLEY, P.A.
ROBERT C. BRANNAN
F. MARSHALL DETERDING
JOHN R. JENKINS, P.A.
KYLE L. KEMPER
STEVEN T. MINDLIN, P.A.
CHASITY H. O'STEEN
WILLIAM E. SUNDSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON

ROBERT M. C. ROSE (1924-2006)

(850) 877-6555
FAX (850) 656-4029
www.rsbattoorneys.com

REPLY TO CENTRAL FLORIDA OFFICE

CENTRAL FLORIDA OFFICE
SANLANDO CENTER
2180 W. STATE ROAD 434, SUITE 2118
LONGWOOD, FLORIDA 32779
(407) 830-6331
FAX (407) 830-8522

MARTIN S. FRIEDMAN, P.A.
BRIDGET M. GRIMSLEY
CHRISTIAN W. MARCELLI
BRIAN J. STREET

February 8, 2010

E-FILING

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Docket No. 090182-SU; Ni Florida, LLC's Application for Increase in Wastewater Rates in Pasco County, Florida
Our File No.: 43053.03

Dear Ms. Cole:

Attached for filing in the above-referenced docket is Ni Florida, LLC's response to Staff's Second Data Request, dated January 25, 2010.

Staff has also requested that the Utility provide evidence of the fees charged by Pasco County for wastewater service. Attached hereto is the billing summary from Pasco County indicating the amounts paid by the Utility for purchased wastewater service.

Finally, Staff has requested that the Utility provide additional information justifying the \$5.00 fee requested by the Utility for late-paid bills. This cost is comprised of 1/5 hour of employee time at \$22.50/hr. to research and verify that the payment is late, process the bill and assess the late payment fee (approximately \$4.50). In addition, the cost includes the cost of an envelope, printer and printing supplies and stamp to send the customer notice (approximately \$0.50). The Commission has approved a number of \$5 late fee charges in similar proceedings.¹ The Commission has found that "the goal of

¹ See Order No. PSC-01-2093-TRF-WS, issued October 22, 2001, in Docket No. 011034-WS, In re: Request for Approval of a Late Payment Charge by WP Utilities, Inc. in Palm Beach County; Order No. PSC-01-2468-TRF-WU, issued December 18, 2001, in Docket No. 011482-WU, In re: Request to Establish Late Fee in Columbia County by Consolidated Water Works, Inc.; and Order No. PSC-05-1218-PAA-WS, issued

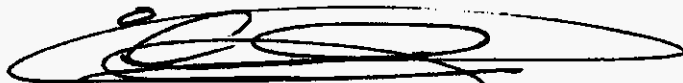
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allowing late fees to be charged by a utility is two-fold: first, to encourage current and future customers to pay their bills on time; and second, if payment is not made on time, to insure that the cost associated with the late payments is not passed on to the customers who do pay on time."² As indicated above, the costs caused by late-paying customers justify the requested \$5 late fee.

Should you or the Staff have any questions regarding the responses to Staff's Second Data Request, the Pasco County billing summaries or the late fee cost justification, please do not hesitate to give me a call.

Very truly yours,



CHRISTIAN W. MARCELLI
For the Firm

CWM/tlc
Enclosures

cc: Ed Wallace, President (w/enclosures) (via e-mail)
Mr. Benny Wilkinson (w/enclosures) (via e-mail)
Mr. Donald Clayton (w/enclosures) (via e-mail)
Mr. Curt Mouring, Division of Economic Regulation (w/enclosures) (via e-mail)
Mr. Stanley Rieger, Division of Economic Regulation (w/enclosures) (via e-mail)

M:\1 ALTAMONTE\NI FLORIDA, LLC\(.03) 2008 TY Rate Case\PSC Clerk 20 (Response to 2d Data Request).ltr.docx

December 15, 2005, in Docket No. 050274-WS, Application for a staff-assisted rate case in Pasco County by Silver Fox Utility Company LLC d/b/a Timberwood Utilities.

² See Order No. PSC-03-1119-PSS-WS, issued October 7, 2003, in Docket no. 030106-WS, In re: Application for staff-assisted rate case in Lee County by Environmental Protection Systems of Pine Island, Inc.; and Order No. PSC-06-0170A-PAA-WS, issued March 9, 2006, in Docket No. 050281-WS, In re: Application for increase in water and wastewater rates in Volusia County by Plantation Bay Utility Company.

Ni Florida, LLC – Hudson
Docket No. 090182-SU

Staff's Second Data Request
Question 1

Question 1: In the Utility's response to staff's first data request, item number 5, the estimated cost to complete this docket through the PAA process for Tangibl, LLC was \$5,000. Please provide a detailed breakdown of the duties to be performed and the time associated with each duty.

Response: The estimated costs of the Tangibl duties to be performed to complete the docket through the PAA process are as follows:

Preparation of revised exhibits - 16 hrs. at \$165/hr.	= \$2,640
Responses to data requests - 10 hrs. at \$165/hr.	= 1,650
Participation in conference calls and preparation of emails - 4 hrs. at \$165/hr.	= <u>660</u>
Total	\$4,950

Prepared by: Benny Wilkinson
Reviewed by: Edward R. Wallace

DOCUMENT NO. DATE
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Ni Florida, LLC – Hudson
Docket No. 090182-SU

Staff's Second Data Request
Question 2

Question 2: Please provide the trial balances for the utility for November 2009.

Response: The November 2009 trial balance for Ni Florida – Hudson is attached.

Prepared by: Benny Wilkinson
Reviewed by: Edward R. Wallace

Hudson - Ni Florida
Trial Balance
As of November 30, 2009

	Nov 30, 09	
	Debit	Credit
130 · Current and Accrued Assets:141 · Customer Accounts Receivable:141.a · Wastewater - Customer A	208,983.66	
130 · Current and Accrued Assets:143 · Accum Prov for Uncoll Accts-Cr:143.a · Wastewater - Acc Prov		17,500.00
130 · Current and Accrued Assets:162 · Prepayments:162.a · General Liability Insurance		129.14
130 · Current and Accrued Assets:173 · Accrued Utility Revenues:173.a · Wastewater - Accr. Util. Re	31,821.73	
100 · Utility Plant:101 · Utility Plant In Service:101.a · Wastewater	7,575,398.48	
100 · Utility Plant:101 · Utility Plant In Service:101.a · Wastewater:101.a.1 · Capitalized I & I		0.00
100 · Utility Plant:101 · Utility Plant In Service:101.a · Wastewater:101.a.2 · Capitalized Mainten	70,534.87	
100 · Utility Plant:105 · Construction Work In Progress:105.a · Wastewater:a.006 · Dollar General	564.75	
100 · Utility Plant:105 · Construction Work In Progress:105.a · Wastewater:a.001 · Nowicki L/S #2	315.00	
100 · Utility Plant:105 · Construction Work In Progress:105.a · Wastewater:a.002 · Flounder L/S		0.00
100 · Utility Plant:108 · Accumulated Depreciation:108.1 · Acc Depr Utility Plant In Serv:108.1.a ·		3,317,652.06
100 · Utility Plant:114 · Utility Plant Acq. Adjustments:114.a · Wastewater	3,620,490.75	
120 · Other Property and Investments:125 · Other Investments:125.1 · Advances to Affiliates:125.104	2,096,395.65	
120 · Other Property and Investments:127 · Other Special Funds:127.a · Wastewater - Other Special F	8,480.00	
180 · Deferred Debits:183 · Prelm. Survey & Invest. Charge:183.a · Wastewater - Prelm. Survey &	9,009.58	
180 · Deferred Debits:186 · Misc. Deferred Debits:186.1 · Deferred Rate Case Expense:186.1.a · Wast	115,562.69	
231 · Accounts Payable		54,458.32
230 · Current and Accrued Liabilities:233 · Accounts Payable to Assoc. Co.:233.a · Wastewater - Acc		472,920.97
230 · Current and Accrued Liabilities:233 · Accounts Payable to Assoc. Co.:233.a · Wastewater - Acc		1,811,855.05
230 · Current and Accrued Liabilities:235 · Customer Deposits:235.a · Wastewater - Customer Deposit		20,199.16
230 · Current and Accrued Liabilities:236 · Accrued Taxes:236.a · Wastewater - Accrued Taxes:236.a1		5,309.60
230 · Current and Accrued Liabilities:236 · Accrued Taxes:236.a · Wastewater - Accrued Taxes:236.a1		26,386.97
230 · Current and Accrued Liabilities:237 · Accrued Interest:237.a · Wastewater - Accrued Interest:		1,352.79
230 · Current and Accrued Liabilities:241 · Misc. Current & Accrued Liab.:241.1 · Misc Liab - Defer		46,666.46
230 · Current and Accrued Liabilities:241 · Misc. Current & Accrued Liab.:241.2 · Misc Liab - Withh	0.00	
230 · Current and Accrued Liabilities:241 · Misc. Current & Accrued Liab.:241.3 · Misc Liab - Accru		70,395.65
224 · Other Long-Term Debt:224.a · Wastewater		252,818.25
270 · Contributions In Aid of Constr:271 · Contributions in Aid of Constr:271.a · Wastewater - Co		3,507,557.00
270 · Contributions In Aid of Constr:272 · Accum. Amort. of Contr. In Aid:272.a · Wastewater - Ac	1,390,357.74	
200 · Equity Capital:211 · Other Paid-In Capital:211.a · Wastewater - Other Paid-In Cap.		5,678,814.27
200 · Equity Capital:215.1 · Unappropriated Ret. Earn:215.a · Wastewater		0.00
215 · Owners Equity	201,256.98	
400 · Operating Revenues:522 · Wastewater:522.1 · Residential		877,821.43
400 · Operating Revenues:522 · Wastewater:522.2 · Commercial		263,612.86
400 · Operating Revenues:522 · Wastewater:522.5 · Bulk		189,813.71
400 · Operating Revenues:536 · Other Wastewater Revenues:536.1 · Transfer Fees		3,725.43
400 · Operating Revenues:536 · Other Wastewater Revenues:536.2 · Reconnect Fees		9,065.22
400 · Operating Revenues:536 · Other Wastewater Revenues:536.3 · Late Penalty Fees		18,812.23
400 · Operating Revenues:536 · Other Wastewater Revenues:536.5 · Premises Visit Fee		3,150.00
427 · Interest Expense:427.6 · Interest on Late Payment	85.95	
427 · Interest Expense:427.4 · Interest on Customer Deposits	863.96	
427 · Interest Expense:427.5 · Accretion Expense	18,886.63	
403 · Depreciation:403a · Depreciation Expense	203,703.71	
403 · Depreciation:403a1 · Amortization of CIAC		95,629.18
408 · Taxes Other Than Income:408.a · Wastewater:408.a10 · Utility Regulatory Assess. Fees	62,902.51	
408 · Taxes Other Than Income:408.a · Wastewater:408.a11 · Property Taxes	61,182.62	
700 · Operation and Maintenance:710.1 · Purchased Sewer Treatment	398,343.94	
700 · Operation and Maintenance:710.2 · Purchased Water	2,228.68	
700 · Operation and Maintenance:715 · Purchased Power	18,435.18	
700 · Operation and Maintenance:731 · Contract Services - Engineering	9,427.95	
700 · Operation and Maintenance:733 · Contract Services - Legal	942.00	
700 · Operation and Maintenance:734 · Contract Services - Mgmt Fee	160,026.75	
700 · Operation and Maintenance:735 · Contract Services - Testing	136.50	
700 · Operation and Maintenance:736 · Contract Services - Other	119,668.76	
700 · Operation and Maintenance:736.1 · Contract Services - I & I	94,403.95	
700 · Operation and Maintenance:736.2 · Contract Labor	10,263.30	
700 · Operation and Maintenance:736.3 · Customer Work Orders		7,297.21
700 · Operation and Maintenance:767 · Insurance - General Liability	725.11	
700 · Operation and Maintenance:761 · Bank Service Charges:761.2 · Account Fees	3,112.95	
700 · Operation and Maintenance:775 · Miscellaneous Expenses:775.1 · Telephone Expense	3,100.22	
700 · Operation and Maintenance:775 · Miscellaneous Expenses:775.7 · Office Supplies	443.81	

2:44 PM
02/05/10
Accrual Basis

Hudson - Ni Florida
Trial Balance
As of November 30, 2009

	Nov 30, 09	
	Debit	Credit
700 - Operation and Maintenance:775 - Miscellaneous Expenses:775.8 - Miscellaneous Expenses	256,270.20	
414.5 - Other Income and Deductions:426 - Misc. Nonutility Expenses:426.a - Wastewater	358.12	
TOTAL	16,752,813.82	16,752,813.82

Ni Florida, LLC – Hudson
Docket No. 090182-SU

Staff's Second Data Request
Question 3

Question 3: In the Utility's response to staff's audit report, audit finding No. 7, the Utility provided the names and job descriptions for twenty employees with allocated salaries. Please provide the total numbers of hours, for each of the twenty employees, that has been allocated to Ni Florida.

Response: Attached is a detail by employee of the estimated hours allocated to Ni Florida - Hudson.

Prepared by: Benny Wilkinson
Reviewed by: Edward R. Wallace

**Ni America Operating, LLC
Hours for Hudson Overhead
For 2008**

<u>Employee</u>	<u>Rate Case Hours</u>
Anthony Wisecup	68
Benny Wilkinson	135
Brendan Kennedy	0
Bruce Connolly	270
Carey Thomas	270
Cherie Headley	0
Cory Pendleton	68
Craig Sherwood	135
David Lombardi	68
Edward Wallace	135
Fred Melcher	270
Jacob Stone	68
James Glasscock	51
Kurt Evans	135
Mark Myers	68
Mike Ashfield	68
Mike Miller	68
Nathan Johnson	68
Pete Moerbeek	203
Bob Haas	135
Vicki Spitznagle	270
Andy Thomas	68
TOTAL	<u><u>2,621</u></u>

PASCO COUNTY UTILITY SYSTEM
 CUSTOMER BILLING HISTORY

ACTION: DISPLAY

ACCOUNT NUMBER: 3010780000 CYCLE: 24 STATUS: PG PARKED FINAL BILLED
 LAST NAME: HUDSON UTILITIES INC FIRST: INITIAL: RELATE: N
 SER. ST. NUMB: 11111 ST. NAME: US HWY 19
 SUBCODE: BSE BULK SEWER OWN/TEN: O PHONE: 727 - 863 - 0205

BILL DATE(-)	CHARGES(-)	ADJUSTMNT(-)	PRIOR BAL	DATEPAID	AMT PAID (-)	BALANCE
08/28/07	183.96	.00	183.96	09/24/07	183.96	183.96
09/25/07	183.96	.00	183.96	10/18/07	183.96	183.96
10/25/07	183.96	.00	183.96		.00	367.92
11/27/07	183.96	.00	367.92	11/28/07	183.96	367.92
12/21/07	183.96	.00	367.92	12/27/07	183.96	367.92
01/24/08	186.48	.00	367.92	01/29/08	103.96	450.44
02/22/08	186.48	- 80.00	450.44	03/24/08	370.44	186.48
03/24/08	186.48	.00	186.48		.00	372.96
04/22/08	186.48	.00	372.96	05/07/08	479.44	80.00
05/22/08	195.36	.00	80.00	06/17/08	275.36	.00
06/23/08	275.28	.00	.00		.00	275.28

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NEXT FUNCTION: G

PASCO COUNTY UTILITY SYSTEM
 CUSTOMER BILLING HISTORY

ACTION: DISPLAY

ACCOUNT NUMBER: 3010780020 CYCLE: 24 STATUS: AB ACTIVE BILLED
 LAST NAME: HUDSON UTILITIES INC FIRST: INITIAL: RELATE: N
 SER. ST. NUMB: 0 ST. NAME: SUNNYDALE
 SUBCODE: BSE BULK SEWER OWN/TEN: O PHONE: - -

BILL DATE (-)	CHARGES (-)	ADJUSTMNT (-)	PRIOR BAL	DATEPAID	AMT PAID (-)	BALANCE
08/28/07	1314.00	.00	4834.96	09/24/07	1314.00	4834.96
09/25/07	1314.00	.00	4834.96	10/18/07	1314.00	4834.96
10/25/07	1314.00	.00	4834.96		.00	6148.96
11/27/07	1681.92	.00	6148.96	11/28/07	1314.00	6516.88
12/21/07	3245.58	.00	6516.88	12/27/07	1314.00	8448.46
01/24/08	4311.24	.00	8448.46	01/29/08	1681.92	11077.78
02/22/08	3112.44	.00	11077.78	03/24/08	7556.82	6633.40
03/24/08	3321.12	.00	6633.40		.00	9954.52
04/22/08	5740.92	.00	9954.52	05/07/08	12174.48	3520.96
05/22/08	5350.20	.00	3520.96	06/17/08	8871.16	.00
06/23/08	5705.40	.00	.00		.00	5705.40

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NEXT FUNCTION:

PASCO COUNTY UTILITY SYSTEM
 CUSTOMER BILLING HISTORY

ACTION: DISPLAY

ACCOUNT NUMBER: 3010780010 CYCLE: 24 STATUS: AB ACTIVE BILLED
 LAST NAME: HUDSON UTILITIES INC FIRST: INITIAL: RELATE: N
 SER. ST. NUMB: 0 ST. NAME: FLOUNDER DR
 SUBCODE: BSE BULK SEWER OWN/TEN: O PHONE: 000 - 863 - 0205

BILL DATE (-)	CHARGES (-)	ADJUSTMNT (-)	PRIOR BAL	DATEPAID	AMT PAID (-)	BALANCE
08/28/07	15991.38	- 274.00	12875.00	09/24/07	22066.18	6526.20
09/25/07	16092.12	- 274.00	6526.20	10/18/07	15717.38	6626.94
10/25/07	14712.42	8926.81	6626.94		.00	30266.17
11/27/07	12588.12	- 265.63	30266.17	11/28/07	15818.12	26770.54
12/21/07	4139.10	- 265.00	26770.54	12/28/07	14447.42	16197.22
01/24/08	6144.96	.00	16197.22	01/30/08	12322.49	10019.69
02/22/08	5123.76	.00	10019.69	02/27/08	3874.10	11269.35
03/24/08	5607.72	- 804.00	11269.35	03/25/08	5870.96	10202.11
04/22/08	7445.88	.00	10202.11	05/07/08	17647.36	.63
05/22/08	4648.68	.00	.63	06/17/08	4649.31	.00
06/23/08	4515.48	.00	.00		.00	4515.48

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NEXT FUNCTION:

PASCO COUNTY UTILITY SYSTEM
 CUSTOMER BILLING HISTORY

ACTION: DISPLAY

ACCOUNT NUMBER: 3010780030 CYCLE: 24 STATUS: AB ACTIVE BILLED
 LAST NAME: HUDSON UTILITIES INC FIRST: INITIAL: RELATE: N
 SER. ST. NUMB: 0 ST. NAME: DEL MAR DR/SEA RANCH
 SUBCODE: BSE BULK SEWER OWN/TEN: 0 PHONE: - -

BILL DATE (-)	CHARGES (-)	ADJUSTMNT (-)	PRIOR BAL	DATEPAID	AMT PAID (-)	BALANCE
08/28/07	25548.54	.00	30660.00	09/24/07	30660.00	25548.54
09/25/07	28229.10	.00	25548.54	10/18/07	25548.54	28229.10
10/25/07	26152.98	.00	28229.10		.00	54382.08
11/27/07	29810.28	.00	54382.08	11/28/07	28229.10	55963.26
12/21/07	25395.24	.00	55963.26	12/27/07	26152.98	55205.52
01/24/08	13479.84	.00	55205.52	01/29/08	29810.28	38875.08
02/22/08	23310.00	.00	38875.08	03/24/08	38875.08	23310.00
03/24/08	21756.00	.00	23310.00		.00	45066.00
04/22/08	24087.00	.00	45066.00	05/07/08	69153.00	.00
05/22/08	24087.00	.00	.00	06/17/08	24087.00	.00
06/23/08	24087.00	.00	.00		.00	24087.00

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NEXT FUNCTION: G