

Ruth Nettles

090392-WS

From: Assistant 1 [A1@RSBattorneys.com]
Sent: Tuesday, February 23, 2010 4:51 PM
To: Filings@psc.state.fl.us
Cc: Michele Parks; keweeks@uiwater.com; pcflynn@uiwater.com; JDWilliams@uiwater.com; frankdenjup@att.net; smlubertozzi@uiwater.com; Jared Deason; Jennifer Brubaker; Christian W. Marcelli; Martin Friedman
Subject: 090392-WS : Utilities, Inc. of Pennbrooke
Attachments: Notice of Intent to Request Confidential Classification (Pennbrooke).pdf

- a) Christian W. Marcelli, Esquire
Rose, Sundstrom & Bentley, LLP
2180 West State Road 434, Suite 2118
Longwood, FL 32779
(407) 830-6331
cmarcelli@rsbattorneys.com
- b) Docket No. 090392-WS
Application of Utilities, Inc of Pennbrooke for an Increase in Water and Wastewater Rates in Lake County, Florida
- c) Utilities, Inc. of Pennbrooke
- d) 3 pages
- e) Notice of Intent to Request Confidential Classification in Connection with Staff's Third Data Request Item No. 1

COM _____
 APA _____
 ECR 1
 GCL 1
 RAD _____
 SSC _____
 ADM _____
 OPC _____
 CLK Peña

[CLK note: confidential document not filed as of this date.]
 N. McJean

DOCUMENT NUMBER-DATE

01220 FEB 23 2010

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
UTILITIES, INC. OF PENNBROOKE
for an increase in water and wastewater
rates in Lake County, Florida

Docket No. 090392-WS

NOTICE OF INTENT TO REQUEST CONFIDENTIAL CLASSIFICATION

UTILITIES, INC. OF PENNBROOKE, by and through its undersigned attorneys and pursuant to Rule 25-22.006, Florida Administrative Code and Section 367.156, Florida Statutes, hereby gives notice that it intends to request confidential classification of certain work papers provided by UTILITIES, INC. OF PENNBROOKE in connection with Staff's Third Data Request, Item No. 1.

As required by Rule 25-22.006(3)(a), a copy of the written request for the confidential material is attached hereto.

WHEREFORE, UTILITIES, INC. OF PENNEBROOKE requests this Commission find and determine that the described work papers are entitled to confidential treatment pursuant to Section 367.156, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, and exempt from public disclosure.

Respectfully submitted on this 23rd
day of February, 2010, by:

ROSE, SUNDSTROM & BENTLEY, LLP
2180 W. State Road 434, Suite 2118
Longwood, FL 32779
(407) 830-6331

BY: 

CHRISTIAN W. MARCELLI

DOCUMENT NUMBER-DATE
01220 FEB 23 2010
FPSC-COMMISSION CLERK

COMMISSIONERS:
NANCY AROENZIANO, CHAIRMAN
LISA POLAK EDGAR
NATHAN A. SKOP
DAVID E. KLEMENT
BEN A. "STEVE" STEVENS III

STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

January 26, 2010

RECEIVED-FPSC
10 JAN 27 AM 10:24
COMMISSION
CLERK

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

Re: Docket No. 090392-WS - Application for increase in water and wastewater rates in Lake County by Utilities Inc. of Pennbrooke

Dear Mr. Marcelli:

Staff needs the following information to complete our review of the application filed by Utilities Inc. of Pennbrooke (Utility or Pennbrooke).

1. On MFR Schedules B-7 and B-8, the salaries have increased by \$44,620 or 65.17 percent for Account Nos. 601 and 603 and \$31,774 or 49.27 percent for Account Nos. 701 and 703 since 2005. In prior Utilities, Inc. (UI) cases, UI cited customer growth and increased revenues as the justification for adding several new customer support employees, both in the state of Florida as well as positions in Northbrook, IL whose salaries were allocated to UI's subsidiaries.
 - (a) Due to the recent sale of UI systems (including, but not limited to, Miles Grant, Wedgefield, and a large subsidiary in North Carolina) which should cause a decline in UI's revenues, please explain why no reductions to salaries have been made.
 - (b) Please provide all the Utility's support justifying its salary increases since 2005. At a minimum, please include in your response each employee's name, title, salary amount for all direct employees, gross salary amount and allocated salary amount for all indirect employees, and a detailed description of the duties and responsibilities of all direct and allocated personnel employed in 2005 and those employed in 2008. Please include as an explanation and a detailed support for any new direct or allocated salary employees and provide support for any salary increases from 2005 to 2008 for existing direct and allocated salary employees that are still employed by UI in 2008.

DOCUMENT NUMBER DATE

00616 JAN 27 09

FPSC-COMMISSIONER OFF

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD • TALLAHASSEE, FL 32399-0850

An Affirmative Action / Equal Opportunity Employer

PSC Website: <http://www.floridapsc.com>

Internet E-mail: contact@psc.state.fl.us

Christian Marcelli
Page 2
January 26, 2010

2. In past rate proceedings for several of Pennbrooke's sister utilities, UI has stated that the purpose of the Project Phoenix was to improve the Utility's capabilities and processes in their accounting, customer service, customer billing, and financial and regulatory reporting areas. As Project Phoenix has been fully deployed for nearly one year, please provide the benefits realized as a result of the Project Phoenix in regard to the Utility's accounting, customer service, customer billing, and financial and regulatory reporting areas, including the cost savings realized (i.e. personnel reductions) and all quantifiable benefits.
3. In Pennbrooke's response to Audit Finding No. 4, the Utility states that it believes that the Audit Staff has a typo in their numbers. Could you please be more specific about this possible typographical error?
4. In Pennbrooke's response to Audit Finding No. 1 the Utility states that it uses monthly depreciation. In the Utility's response to Audit Finding No. 6, the Utility states that it uses a half-year convention on WSC assets. Does the company use monthly or half-year depreciation?

Please submit this information to the Office of Commission Clerk by February 16, 2010. If you have any questions, please contact me by phone at (850) 413-6844 or by e-mail at jdeason@psc.state.fl.us.

Sincerely,



Jared Deason
Regulatory Analyst IV

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Lingo, Reiger)
Office of the General Counsel (Brubaker)
Office of Commission Clerk
Office of Public Counsel