

Marguerite McLean

090462-WS

From: Trina Collins [TCollins@RSBattorneys.com]
Sent: Friday, May 28, 2010 9:36 AM
To: Filings@psc.state.fl.us
Cc: smlubertozzi@uiwater.com; keweeks@uiwater.com; pcflynn@uiwater.com; jdwilliams@uiwater.com; frankdenjup@att.net; dswain@milianswain.com; Bart Fletcher; Rick Wright; kyoung@psc.state.fl.us.; Reilly.steve@leg.state.fl.us; Martin Friedman; Christian W. Marcelli; Trina Collins
Subject: Filing in Docket No. 090462-WS; Application for Increase in Water and Wastewater Rates in Marion, Orange, Pasco, Pinellas, and Seminole County by Utilities, Inc. of Florida
Importance: High
Attachments: PSC Clerk 015 (Response to Audit Report-UIF).ltr.05-28-2010.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
 Email: cmarcelli@rsbattorneys.com
- b. Docket No.: 090462-WS; Application for Increase in Water and Wastewater Rates in Marion, Orange, Pasco, Pinellas, and Seminole County by Utilities, Inc. of Florida - Filing the Utility's response to Staff's audit report filed with the Clerk on May 20, 2010.
- c. Utilities, Inc. of Florida
- d. 2 Pages.
- e. Letter to Commission Clerk - 1 page, Responses to Audit Report - 1 page.

DOCUMENT NUMBER-DATE

04476 MAY 28 2010

FPSC-COMMISSION CLERK

5/28/2010

ROSE, SUNDBSTROM & BENTLEY, LLP

www.rsbatorneys.com

Please Respond to the Longwood Office

FREDERICK L. ASCHAUER, JR.
CHRIS H. BENTLEY, P.A.
ROBERT C. BRANNAN
F. MARSHALL DETERDING
MARTIN S. FRIEDMAN, P.A.
JOHN J. FUMERO, P.A.
BRIDGET M. GRIMSLEY
JOHN R. JENKINS, P.A.
KYLE L. KEMPER

CHRISTIAN W. MARCELLI
STEVEN T. MINDLIN, P.A.
THOMAS F. MULLIN
CHASTITY H. O'STEEN
WILLIAM E. SUNDBSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON

May 28, 2010

ROBERT M.C. ROSE, (1924-2006)

E-FILING

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

Re: Docket No. 090462-WS; Application for Increase in Water and Wastewater Rates in Marion, Orange, Pasco, Pinellas, and Seminole County by Utilities, Inc. of Florida
Our File No.: 30057.179

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket is the response of Utilities, Inc. of Florida, to Staff's audit report filed with the Clerk on May 20, 2010.

Feel free to contact us if you have any questions or concerns.

Very truly yours,



CHRISTIAN W. MARCELLI
For The Firm

Enclosures

cc: Steven M. Lubertozzi, Executive Director of Reg. Acct and Affairs (w/encs.) (via e-mail)
Ms. Kirsten E. Weeks (w/enclosures) (via e-mail)
Patrick C. Flynn, Regional Director (w/enclosures) (via e-mail)
John Williams, Director of Governmental Affairs (w/enclosures) (via e-mail)
Mr. Frank Seidman (w/enclosures) (via e-mail)
Ms. Deborah Swain (w/enclosures) (via e-mail)
Mr. Bart Fletcher, Division of Economic Regulation (w/enclosures) (via e-mail)
Mr. Richard Wright, Division of Economic Regulation (w/enclosures) (via e-mail)
Keino Young, Esq., Office of General Counsel (w/enclosures) (via e-mail)
Stephen C. Reilly, Associate Public Counsel (w/enclosures) (via e-mail)

DOCUMENT NUMBER - DATE
04476 MAY 28 2010

UTILITIES, INC. OF FLORIDA
DOCKET NO. 090462-WS
RESPONSES TO AUDIT REPORT

Audit Finding No. 1 – Land

The Company agrees with audit finding no. 1, and proposes the same journal entry and filing effect as Audit Staff.

Audit Finding No. 2 – Sample Errors for Northbrook Plant

The Company agrees with audit finding no. 2, and proposes the same journal entry and filing effect as Audit Staff.

Audit Finding No. 3 – Working Capital – Cash

The Company agrees with audit finding no. 3, and proposes the same filing effect as Audit Staff.

Audit Finding No. 4 – Payroll Changes

The Company agrees with audit finding no. 4, and proposes the same filing effect as Audit Staff.

Audit Finding No. 5 – 401K Costs

The Company disagrees with this audit finding. The Company believes that the 401(K) contribution should be looked at on an employee basis, as it has for the pro forma adjustment in the filing. The contribution is consistently given at 4% for full time employees. Since employees are annualized for our filings and are done on an employee basis, it stands to reason that 401(K) costs should be calculated in a consistent manner. The Company believes the manner in calculating 401(K) costs in its filing is correct.

Effect on general ledger – There is no effect on the general ledger; the adjustment was only made to the MFR.

Effect on filing – There is no effect on the filing.

Audit Finding No. 6 – Headquarter Samples

The Company agrees with audit finding no. 6, and proposes the same filing effect as Audit Staff.

Audit Finding No. 7 – Seminole Real Estate Tax

The Company agrees with audit finding no. 7, and proposes the same filing effect as Audit Staff.