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MARSHALL WILLIS, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6914

Public Service Commission

July 21, 2010

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10 JUL 22 AM 8:36
COMMISSION
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Christian Marcelli
Rose, Sundstrom & Bentley, LLP
2180 West State Road 434
Sanlando Center, Suite 2118
Longwood, FL 32779

Re: Docket No. 100149-WU - Application for increase in water rates in Lee County by Ni Florida, LLC

Dear Mr. Marcelli:

Staff needs the following information to complete our review of the application filed by Ni Florida, LLC (Utility or Ni Florida).

- 1. The following items relate to the pro forma isolated valves and meter replacements reflected in adjustment (B) MFR Schedule A-3.

For each addition, provide the following:

- (a) a statement why each addition is necessary;
- (b) a copy of all invoices and other support documentation if the plant addition has been completed or in process;
- (c) a copy of the signed contract or any bids, if the plant addition has not been completed;
- (d) a status of the engineering and permitting efforts, if the plant addition has not been through the bidding processing; and
- (e) the projected in-service date for each outstanding plant addition.

- 2. The following items relate to Ni Florida's requested rate case expense.

- (a) For each individual person, in each firm providing consulting services to the applicant pertaining to this docket, provide the billing rate, and an itemized description of work performed. Please provide detail of hours worked associated with each activity. Also provide a description and associated cost for all expenses incurred to date.

COM _____
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Christian Marcelli

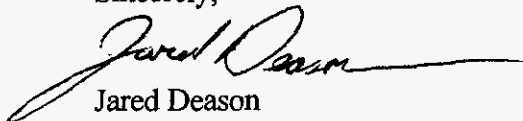
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- (b) For each firm or consultant providing services for the applicant in this docket, please provide copies of all invoices for services provided to date.
 - (c) If rate consultant invoices are not broken down by hour, please provide reports that detail by hour, a description of actual duties performed, and amount incurred to date.
 - (d) Please provide an estimate of costs to complete the case by hour for each consultant or employee, including a description of estimated work to be performed, and detail of the estimated remaining expense to be incurred through the PAA process.
 - (e) Please provide an itemized list of all other costs estimated to be incurred through the PAA process.
4. According to MFR Schedule B-3, the Utility has proposed an increase of \$300 per month for its Contract Operator. Please provide an executed copy of the current contract with the Operator.
5. According to MFR Schedule B-3, Ni Florida has proposed an adjustment to increase its uncollectable accounts to 1.75% of revenue. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above adjustment to uncollectable accounts.
6. According to MFR Schedule B-3, the Utility has proposed an adjustment to reflect bad debts expense at 1.75% of requested increase in revenue. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above adjustment to bad debts expense.

Please submit the above information to the Office of Commission Clerk by August 23, 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, Maurey, Fletcher, Thompson, Williams)
Office of the General Counsel (Holly)
Office of Commission Clerk
Office of Public Counsel