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Aqua Utilities Florida, Inc.
2228 Capital Circle NE, Ste. 2A
Tallahassee, FL 32308

COMMISSION
CLERK

February 9, 2011

Katherine E. Fleming
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 100330-WS - Application for increase in water/wastewater rates in Alachua, Brevard, DeSoto, Hardee, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc. – Staff Seventeenth Data Request

Dear Ms. Fleming:

By this letter, Aqua Utilities Florida, Inc. (AUF or Company) provides its response to the Staff's Seventeenth Data Request.

1. Since March of 2010, AUF has issued several press releases relating to recent acquisitions and divestitures. In a press release dated March 5, 2010, AUF stated that it had purchased the Ellwood Greens Utility water system. In a press release dated April 19, 2010, AUF stated that it had purchased a wastewater system in Genoa, Illinois. In a press release dated April 27, 2010, AUF stated that it had purchased the Skyline Water Company, Inc. and Rebel Water Works, Inc. water systems. In a press release dated September 23, 2010, AUF stated that it had purchased the Paupackan Lake Association, Inc. water system. In a press release dated October 5, 2010, AUF stated that it had purchased the Setzer Brothers, Inc. water system. In a press release dated November 30, 2010, AUF stated that it had purchased the Vernon Water Company water system. In a press release dated December 13, 2010, AUF stated that it would purchase 51 water systems and 5 wastewater systems in Texas. In a press release dated December 30, 2010, AUF stated that it had purchased the assets of Gray Utility. Please respond to the following:

- a. For each of the above-mentioned acquisitions, please provide the customer counts and ERC counts as of December 31, 2010. In the response, ERCs should be determined using the American Water Works Association's meter equivalent factors.
- b. For each of the above-mentioned divestitures, please provide the customer counts and ERC counts as of the closing date.

COM _____
 APA _____
 ERC 2
 GCL _____
 RAD _____
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 OPC _____
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An Aqua America Company
www.aquautilitiesflorida.com

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- c. For the above-mentioned acquisitions, please indicate whether or not the additional customers for these systems were included in the rate base and operating expense allocations reflected in the MFRs for the instant case.

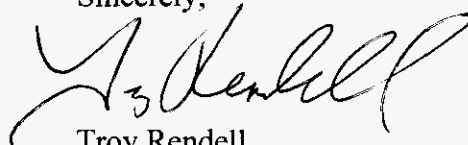
RESPONSE:

- a. See schedule attached hereto indicating the number of customers and ERCs
b. See schedule attached hereto. The amounts are the same.
c. There were no allocations related to these customers included in the MFRs. These acquisitions were either preliminary or pending at the time the MFRs were compiled and filed. The Texas acquisition and Missouri sale are still under review by the respective regulatory agencies, not final and subject to protest. Allocations for any subsequent year are based on the number of customers at the end of the previous year. For example, the allocations for the period January through April 2010 were based on the number of customers as of December 31, 2009.

AUF asserts that proper ratemaking treatment would make it inappropriate to include any additional customers or ERCs for acquisitions that occurred subsequent to the test year without including the actual allocated expenses for the corresponding period. Since any post test year acquisitions are outside the test year, if the Commission takes into consideration the additional customers, the proposed pro forma adjustments to the allocated corporate expenses included in Schedule B-3 of the MFRs allocated must also be allowed. As stated above, the customer count resulting from the additional customers in 2010 will be included in the allocations for the expenses in 2011.

Please acknowledge receipt of this filing by stamping the extra copy of this letter “filed” and returning the copy to me. Thank you for your assistance.

Sincerely,



Troy Rendell
Rates Manager

cc: Bruce May, Holland & Knight
Office of Commission Clerk
Patricia Christensen, Office of Public Counsel
Kimberly A. Joyce, Aqua America, Inc.

Aqua FL Staff data request - Acquisitions 2010
ERC Analysis

System Acquired	Srcv	State	Code	Note	METER SIZE								ERCs	
					5/8	3/4	1	1 1/2	2	3	4	Flat		
Eilwood Greens	S	IL	2240760										236	236
Fairhaven	W	IL	1240460				88							132
Dollie Meaddows	W	NC	N157		14	9								28
Emerald Plantation Utilities	S	NC	N09L								1	62		87
Setzer Brothers	W	NC	N09M-P			270						4		409
Borough of Bloomsbury	W	NJ	J026		347		4	2	3					391
Vernon Water	W	NJ	J027		185									185
Walkkill Sewer Company	S	NJ	J029									378		378
Walkkill Water Company	W	NJ	J029		354	3	20			1				425
Paupackan Lake Estates	W	PA										360		360
Stony Creek WW	S	PA										34		34
Bluewater Key Water Company	W	TX	T349		381			1						386
Canyon Springs Water	W	TX	T345		374		4							384
Cavern Springs / Stone Mtn	W	TX	T348		11									11
Gray Utilities Water	W	TX		NA	1,306					1				1,314
Gray Utilities WW	S	TX		NA	743					1				751
Indian Springs	W	TX	T343	IFA										-
Pecan Utilities	W	TX	T347		186									186
San Gabriel River Ranch	W	TX	T342	IFA										-
T&A	W	TX	T347		15									15
VLS	W	TX	T346		20									20
Skyline / Rebel Water	W	VA	1346900		364							112		476
					4,300	370	28	3	5	1	1	1,186		6,207

IFA = This was previously included in AUF's First Analysis

Note - Staff requested information on an announced transaction between American WTR and Aqua where Aqua would sell all customers in MO to American in exchange American would sell all customers in TX to Aqua. This transaction is pending regulatory approval in both states and it is not expected to close mid 2011 at the earliest. At this time we do not know ERC data on the American customers.