

ART GRAHAM  
CHAIRMAN

STATE OF FLORIDA



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Public Service Commission

COMMISSION  
CLERK

June 29, 2011

Mr. Gene D. Brown  
Water Management Services, Inc.  
250 John Knox Road, Suite 4  
Tallahassee, FL 32303

**Re: Docket No. 110200-WU - Application for increase in water rates in Franklin County by Water Management Services, Inc.**

Dear Mr. Brown:

The Florida Public Service Commission received your June 8, 2011, letter regarding a proposed rate case by Water Management Services, Inc. (WMSI or Utility). In that letter, WMSI requested to use a historic test year ended December 31, 2010, for establishing final rates.

You state the Utility will file its application to be scheduled directly for a hearing. Pursuant to Rule 25-30.430, F.A.C., WMSI's test year request as outlined above is hereby approved for purposes of filing its Minimum Filing Requirements (MFRs). Docket No. 110200-WU has been assigned to the forthcoming case. Your petition will be deemed filed on the date the Office of Commission Clerk receives the complete petition, the MFRs, and the filing fee. To process this case expeditiously, we request that you file the above no later than September 6, 2011.

Please note that many schedules included in the MFRs are designed with a column titled "Balance Per Books." This column must reflect the balances on the general ledger, and be reconciled with the balances reported in the Utility's Annual Report on file with the Commission. This requirement is applicable to all primary account balances as required by the NARUC Uniform System of Accounts. Pursuant to Rule 25-30.110(2), F.A.C., all data the Commission requests and requires to be submitted in determining a utility's rates "shall be consistent with and reconcilable with the utility's annual report to the Commission."

In addition, WMSI should satisfactorily document that it has recorded all adjustments to the Utility's general ledger and accounts that have been ordered by the Commission in any prior proceeding relating to this system. If adjustments were ordered for prior periods that impact subsequent years, the related adjustments shall also be made to reflect the impact for the appropriate period up to and including the approved test year. Further, WMSI should be prepared to justify its requested test year operation and maintenance expenses, particularly those which have increased above the level of customer growth and inflation for the year ended five years prior to the test year.

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Mr. Gene D. Brown  
June 29, 2011  
Page 2

The Utility is instructed to file all information it wishes the Commission to consider when arriving at a decision on its rate case application with its original filing. Because of the time limitations contained in Section 367.081, F.S., and the lengthy auditing and investigation required, the Commission may disregard any information not filed with the original application. Approval of the test year for filing purposes does not mean that an issue regarding the appropriateness of the test period could not be raised at any time during the proceeding. If you have any questions, please contact Bart Fletcher at (850) 413-7017 or [bart.fletcher@psc.state.fl.us](mailto:bart.fletcher@psc.state.fl.us).

Sincerely,



Art Graham  
Chairman

AG/BF:mb

cc: Mr. J. R. Kelly, Office of Public Counsel  
Mr. Charles Hill, Deputy Executive Director  
Mr. S. Curtis Kiser, General Counsel  
Division of Economic Regulation (Willis, Bulecza-Banks, Maurey, Stallcup, Fletcher, Cicchetti, Daniel)  
Office of Auditing and Performance Analysis (Prestwood)  
Office of the General Counsel (Crawford)  
Office of Commission Clerk (Docket No. 110200-WU)